



# IOWA ADMINISTRATIVE BULLETIN

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Pages 1173 to 1224

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## PREFACE

The Iowa Administrative Bulletin is published biweekly in pamphlet form pursuant to Iowa Code chapters 2B and 17A and contains Notices of Intended Action on rules, Filed and Filed Emergency rules by state agencies.

It also contains Proclamations and Executive Orders of the Governor which are general and permanent in nature; Economic Impact Statements to proposed rules and filed emergency rules; Objections filed by Administrative Rules Review Committee, Governor or the Attorney General; and Delay by the Committee of the effective date of filed rules; Regulatory Flexibility Analyses and Agenda for monthly Administrative Rules Review Committee meetings. Other “materials deemed fitting and proper by the Administrative Rules Review Committee” include summaries of Public Hearings, Attorney General Opinions and Supreme Court Decisions.

The Bulletin may also contain Public Funds Interest Rates [12C.6]; Workers’ Compensation Rate Filings [515A.6(7)]; Usury [535.2(3)“a”]; Agricultural Credit Corporation Maximum Loan Rates [535.12]; and Regional Banking—Notice of Application and Hearing [524.1905(2)].

**PLEASE NOTE:** *Italics* indicate new material added to existing rules; ~~strike through letters~~ indicate deleted material.

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**CITATION of Administrative Rules**

The Iowa Administrative Code shall be cited as (agency identification number) IAC (chapter, rule, subrule, lettered paragraph, or numbered subparagraph).

- 441 IAC 79 (Chapter)
- 441 IAC 79.1(249A) (Rule)
- 441 IAC 79.1(1) (Subrule)
- 441 IAC 79.1(1)“a” (Paragraph)
- 441 IAC 79.1(1)“a”(1) (Subparagraph)

The Iowa Administrative Bulletin shall be cited as IAB (volume), (number), (publication date), (page number), (ARC number).

IAB Vol. XII, No. 23 (5/16/90) p. 2050, ARC 872A

## Schedule for Rule Making 2003

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Jan. 3 '03	Jan. 22 '03	Feb. 11 '03	Feb. 26 '03	Feb. 28 '03	Mar. 19 '03	Apr. 23 '03	July 21 '03
Jan. 17	Feb. 5	Feb. 25	Mar. 12	Mar. 14	Apr. 2	May 7	Aug. 4
Jan. 31	Feb. 19	Mar. 11	Mar. 26	Mar. 28	Apr. 16	May 21	Aug. 18
Feb. 14	Mar. 5	Mar. 25	Apr. 9	Apr. 11	Apr. 30	June 4	Sept. 1
Feb. 28	Mar. 19	Apr. 8	Apr. 23	Apr. 25	May 14	June 18	Sept. 15
Mar. 14	Apr. 2	Apr. 22	May 7	May 9	May 28	July 2	Sept. 29
Mar. 28	Apr. 16	May 6	May 21	May 23	June 11	July 16	Oct. 13
Apr. 11	Apr. 30	May 20	June 4	June 6	June 25	July 30	Oct. 27
Apr. 25	May 14	June 3	June 18	June 20	July 9	Aug. 13	Nov. 10
May 9	May 28	June 17	July 2	July 4	July 23	Aug. 27	Nov. 24
May 23	June 11	July 1	July 16	July 18	Aug. 6	Sept. 10	Dec. 8
June 6	June 25	July 15	July 30	Aug. 1	Aug. 20	Sept. 24	Dec. 22
June 20	July 9	July 29	Aug. 13	Aug. 15	Sept. 3	Oct. 8	Jan. 5 '04
July 4	July 23	Aug. 12	Aug. 27	Aug. 29	Sept. 17	Oct. 22	Jan. 19 '04
July 18	Aug. 6	Aug. 26	Sept. 10	Sept. 12	Oct. 1	Nov. 5	Feb. 2 '04
Aug. 1	Aug. 20	Sept. 9	Sept. 24	Sept. 26	Oct. 15	Nov. 19	Feb. 16 '04
Aug. 15	Sept. 3	Sept. 23	Oct. 8	Oct. 10	Oct. 29	Dec. 3	Mar. 1 '04
Aug. 29	Sept. 17	Oct. 7	Oct. 22	Oct. 24	Nov. 12	Dec. 17	Mar. 15 '04
Sept. 12	Oct. 1	Oct. 21	Nov. 5	Nov. 7	Nov. 26	Dec. 31	Mar. 29 '04
Sept. 26	Oct. 15	Nov. 4	Nov. 19	***Nov. 19***	Dec. 10	Jan. 14 '04	Apr. 12 '04
Oct. 10	Oct. 29	Nov. 18	Dec. 3	Dec. 5	Dec. 24	Jan. 28 '04	Apr. 26 '04
Oct. 24	Nov. 12	Dec. 2	Dec. 17	***Dec. 17***	Jan. 7 '04	Feb. 11 '04	May 10 '04
Nov. 7	Nov. 26	Dec. 16	Dec. 31	Jan. 2 '04	Jan. 21 '04	Feb. 25 '04	May 24 '04
***Nov. 19***	Dec. 10	Dec. 30	Jan. 14 '04	Jan. 16 '04	Feb. 4 '04	Mar. 10 '04	June 7 '04
Dec. 5	Dec. 24	Jan. 13 '04	Jan. 28 '04	Jan. 30 '04	Feb. 18 '04	Mar. 24 '04	June 21 '04
***Dec. 17***	Jan. 7 '04	Jan. 27 '04	Feb. 11 '04	Feb. 13 '04	Mar. 3 '04	Apr. 7 '04	July 5 '04
Jan. 2 '04	Jan. 21 '04	Feb. 10 '04	Feb. 25 '04	Feb. 27 '04	Mar. 17 '04	Apr. 21 '04	July 19 '04

### PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
20	Friday, March 14, 2003	April 2, 2003
21	Friday, March 28, 2003	April 16, 2003
22	Friday, April 11, 2003	April 30, 2003

**PLEASE NOTE:**

Rules will not be accepted after **12 o'clock noon** on the Friday filing deadline days unless prior approval has been received from the Administrative Rules Coordinator's office.

If the filing deadline falls on a legal holiday, submissions made on the following Monday will be accepted.

**\*\*\*Note change of filing deadline\*\*\***

## PUBLICATION PROCEDURES

TO: Administrative Rules Coordinators and Text Processors of State Agencies  
FROM: Kathleen K. Bates, Iowa Administrative Code Editor  
SUBJECT: Publication of Rules in Iowa Administrative Bulletin

The Administrative Code Division uses QuickSilver XML Publisher, version 1.5.3, to publish the Iowa Administrative Bulletin and can import documents directly from most other word processing systems, including Microsoft Word, Word for Windows (Word 7 or earlier), and WordPerfect.

1. To facilitate the publication of rule-making documents, we request that you send your document(s) as an attachment(s) to an E-mail message, addressed to both of the following:

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[kathleen.bates@legis.state.ia.us](mailto:kathleen.bates@legis.state.ia.us)

2. Alternatively, you may send a PC-compatible diskette of the rule making. Please indicate on each diskette the following information: agency name, file name, format used for exporting, and chapter(s) amended. Diskettes may be delivered to the Administrative Code Division, First Floor South, Grimes State Office Building, or included with the documents submitted to the Governor's Administrative Rules Coordinator.

Please note that changes made prior to publication of the rule-making documents are reflected on the hard copy returned to agencies by the Governor's office, but not on the diskettes; diskettes are returned unchanged.

Your cooperation helps us print the Bulletin more quickly and cost-effectively than was previously possible and is greatly appreciated.

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To All Agencies:

The Administrative Rules Review Committee voted to request that Agencies comply with Iowa Code section 17A.4(1)“b” by allowing the opportunity for oral presentation (hearing) to be held at least **twenty** days after publication of Notice in the Iowa Administrative Bulletin.

AGENCY	HEARING LOCATION	DATE AND TIME OF HEARING
<b>DENTAL EXAMINERS BOARD[650]</b>		
Services provided by dental hygienist under collaborative agreement, 1.1, 10.3(3) IAB 3/5/03 <b>ARC 2327B</b>	Conference Room, Suite D 400 SW Eighth St. Des Moines, Iowa	April 1, 2003 10 a.m.
<b>EDUCATIONAL EXAMINERS BOARD[282]</b>		
Requirements for a standard license, 14.112 IAB 2/19/03 <b>ARC 2311B</b>	Room 2 South Grimes State Office Bldg. Des Moines, Iowa	March 18, 2003 1 p.m.
<b>LABOR SERVICES DIVISION[875]</b>		
Occupational injuries and illnesses— record-keeping regulations, 4.3 IAB 2/19/03 <b>ARC 2291B</b>	Stanley Room 1000 E. Grand Ave. Des Moines, Iowa	March 11, 2003 1:30 p.m.
<b>LOTTERY DIVISION[705]</b>		
Rules review, amendments to chs 1 to 3, 8, 11, 13 IAB 2/19/03 <b>ARC 2320B</b>	2015 Grand Ave. Des Moines, Iowa	March 13, 2003 9 a.m. (If requested)
<b>NATURAL RESOURCE COMMISSION[571]</b>		
Wildlife refuges, 52.1(2) IAB 3/5/03 <b>ARC 2339B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	April 10, 2003 10 a.m.
Forest land enhancement program, ch 74 IAB 3/5/03 <b>ARC 2346B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	March 25, 2003 1 p.m.
Waterfowl and coot hunting seasons, 91.1, 91.3, 91.4, 91.6 IAB 3/5/03 <b>ARC 2340B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	April 10, 2003 10 a.m.
Wild turkey fall hunting by residents, 99.2, 99.3(1), 99.5, 99.8(1), 99.9 IAB 3/5/03 <b>ARC 2344B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	April 10, 2003 10 a.m.
Deer hunting by residents, 106.1(5), 106.5 to 106.8, 106.10 IAB 3/5/03 <b>ARC 2342B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	April 10, 2003 1 p.m.

**TRANSPORTATION DEPARTMENT[761]**

Regulations applicable to carriers, 520.1, 520.2 IAB 2/5/03 <b>ARC 2263B</b>	DOT Conference Room Park Fair Mall 100 Euclid Ave. Des Moines, Iowa	March 13, 2003 10 a.m. (If requested)
For-hire interstate motor carrier authority, 529.1 IAB 2/5/03 <b>ARC 2264B</b>	DOT Conference Room Park Fair Mall 100 Euclid Ave. Des Moines, Iowa	March 13, 2003 1 p.m. (If requested)

**UTILITIES DIVISION[199]**

Alternate energy production, amendments to ch 15; 20.9(2) IAB 3/5/03 <b>ARC 2329B</b>	Hearing Room 350 Maple St. Des Moines, Iowa	May 16, 2003 10 a.m.
Customer rights and remedies to avoid disconnection, 19.4(15), 20.4(15) IAB 2/5/03 <b>ARC 2285B</b>	Hearing Room 350 Maple St. Des Moines, Iowa	April 8, 2003 10 a.m.

Due to reorganization of state government by 1986 Iowa Acts, chapter 1245, it was necessary to revise the agency identification numbering system, i.e., the bracketed number following the agency name.

“Umbrella” agencies and elected officials are set out below at the left-hand margin in CAPITAL letters.

Divisions (boards, commissions, etc.) are indented and set out in lowercase type under their statutory “umbrellas.”

Other autonomous agencies which were not included in the original reorganization legislation as “umbrella” agencies are included alphabetically in small capitals at the left-hand margin, e.g., BEEF INDUSTRY COUNCIL, IOWA[101].

The following list will be updated as changes occur:

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**ARC 2327B****DENTAL EXAMINERS BOARD[650]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 147.76, the Board of Dental Examiners hereby gives Notice of Intended Action to amend Chapter 1, “Administration,” and Chapter 10, “General Requirements,” Iowa Administrative Code.

These amendments change the definition of “general supervision of a dental hygienist” and add a new definition of “collaborative agreement.” These amendments would allow a dental hygienist who has 2,500 hours of clinical practice or who is employed as a public health hygienist as of June 1, 2003, to perform preventive services in settings other than a private dental office without the patient’s first being examined by a dentist. The hygienist must have entered into a collaborative agreement with a dentist who authorizes and accepts responsibility for the services provided by the hygienist. The collaborative agreement must contain protocols or standing orders for the hygienist to follow.

At their January 23, 2003, regular meeting, the Board approved a petition for rule making submitted by the Iowa Dental Hygienists’ Association to amend the rules as proposed in this Notice.

These amendments are subject to waiver at the sole discretion of the Board in accordance with 650—Chapter 7.

Any interested person may make written comments or suggestions on the proposed amendments on or before April 1, 2003. Such written comments should be directed to Jennifer Hart, Executive Officer, Board of Dental Examiners, 400 SW 8th Street, Suite D, Des Moines, Iowa 50309-4687. E-mail may be sent to [jhart@bon.state.ia.us](mailto:jhart@bon.state.ia.us).

Also, there will be a public hearing on April 1, 2003, beginning at 10 a.m. in the Conference Room, 400 SW 8th Street, Suite D, Des Moines, Iowa. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendments. Any person who plans to attend the public hearing and who may have special requirements, such as hearing or mobility impairments, should contact the Board and advise of specific needs.

These amendments were approved at the February 4, 2003, teleconference meeting of the Board of Dental Examiners.

These amendments are intended to implement Iowa Code chapters 17A, 147, 153, and 272C.

The following amendments are proposed.

ITEM 1. Amend rule **650—1.1(153)** as follows:  
Adopt the following **new** definition:

“Collaborative agreement” means a written agreement with a licensed dentist who authorizes and accepts responsibility for services performed by the dental hygienist. The agreement shall contain protocols or standing orders for the dental hygienist to follow when providing services within the scope of dental hygiene as established in 650—10.3(153). The dental hygienist must ensure that the patient has been examined by a dentist prior to providing additional hygiene services.

Amend the definition of “general supervision of a dental hygienist” as follows:

“General supervision of a dental hygienist” means that a dentist has examined the patient and has prescribed authorized services to be provided by a dental hygienist. The dentist need not be present in the facility while these services are being provided. If a dentist will not be present, the following requirements shall be met:

1. Patients or their legal guardians must be informed prior to the appointment that no dentist will be present and therefore no examination will be conducted at that appointment.

2. The hygienist must consent to the arrangement.

3. Basic emergency procedures must be established and in place and the hygienist must be capable of implementing these procedures.

4. The treatment to be provided must be prior prescribed by a licensed dentist and must be entered in writing in the patient record. *In settings other than a private dental office, such as schools, public health agencies, and health care facilities, a dental hygienist who has a minimum of 2,500 hours of clinical practice during the previous five years of employment or who is employed as a public health hygienist as of June 1, 2003, may perform preventive services without the patient’s first being examined by a licensed dentist, if the dental hygienist has entered into a collaborative agreement with one or more dentists.*

ITEM 2. Amend subrule 10.3(3) as follows:

**10.3(3)** All other authorized services provided by a dental hygienist shall be performed under the general supervision of a dentist currently licensed in the state of Iowa in accordance with 650—1.1(153). *In settings other than a private dental office, such as schools, public health agencies, and health care facilities, a dental hygienist who has a minimum of 2,500 hours of clinical practice during the previous five years of employment or who is employed as a public health hygienist as of June 1, 2003, may perform preventive services without the patient’s first being examined by a licensed dentist, if the dental hygienist has entered into a collaborative agreement with one or more dentists. The dental hygienist must ensure that the patient has been examined by a dentist prior to providing additional hygiene services.*

**ARC 2325B****ETHICS AND CAMPAIGN  
DISCLOSURE BOARD, IOWA[351]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 68B.32A, the Iowa Ethics and Campaign Disclosure Board hereby gives Notice of Intended Action to rescind Chapter 4, “Campaign Disclosure Procedures,” Iowa Administrative Code, and adopt a new Chapter 4 with the same title.

This proposed amendment renumbers the current rules on campaign disclosure procedures to eliminate rules that have been previously rescinded and reserved. Two rules are left reserved to reflect anticipated future rule makings. No

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

changes are being made to the language of the rules except for internal references to renumbered rules and nonsubstantive, technical changes.

This proposed amendment does not contain a waiver provision as this rule making is for the sole purpose of renumbering already existing rules.

Any interested person may make written comments on the proposed amendment on or before March 25, 2003. Comments should be directed to Charlie Smithson, Iowa Ethics and Campaign Disclosure Board, 514 E. Locust, Suite 104, Des Moines, Iowa 50309. Persons who wish to comment orally should contact Charlie Smithson at (515)281-3489.

This amendment is intended to implement Iowa Code chapters 56 and 68B.

The following amendment is proposed.

Rescind 351—Chapter 4 and adopt the following **new** chapter in lieu thereof:

CHAPTER 4  
CAMPAIGN DISCLOSURE PROCEDURES

DIVISION I  
ORGANIZATIONAL REQUIREMENTS

**351—4.1(56,68B) Requirement to file statement of organization (DR-1)—persons subject to requirements; financial thresholds; where to file; when due.**

**4.1(1)** Persons subject to requirement. Every committee shall file a statement of organization (Form DR-1) within ten days from the date of its organization. The forms shall be either typewritten or printed legibly in black ink.

a. “Committee” defined. A “committee” includes a “candidate’s committee,” which is the entity required to be created when a candidate has exceeded the \$750 organizational threshold, even though the organization may consist only of the candidate. A “committee” also includes a “political committee,” which is the entity required to be created when two or more individuals have exceeded the \$750 organizational threshold for permanent or temporary political purposes.

b. When organization occurs; financial thresholds. At the latest, organization is construed to have occurred as of the date that the committee first exceeded \$750 of financial activity in a calendar year in any of the following categories: contributions received (aggregate of monetary and in-kind contributions); expenditures made; or indebtedness incurred.

c. Permanent organizations temporarily engaging in activity for political purposes. The requirement to file the statement of organization applies to an entity which comes under the definition of a “political committee” because it is an association, lodge, society, cooperative, union, fraternity, sorority, educational institution, civic organization, labor organization, religious organization, professional organization or other permanent organization which temporarily engages in political activity by accepting contributions in excess of \$750 in the aggregate, making expenditures in excess of \$750 in the aggregate, or incurring indebtedness in excess of \$750 in the aggregate in any one calendar year for the purpose of expressly advocating the election or defeat of a candidate for public office, or for the purpose of expressly advocating the passage or defeat of a ballot issue.

**4.1(2)** Place of filing. Statements of organization shall be filed with the board at 514 E. Locust, Suite 104, Des Moines, Iowa 50309. Statements may also be filed by fax at (515) 281-3701 or filed electronically through the board’s Web site at [www.iowa.gov/ethics](http://www.iowa.gov/ethics).

**4.1(3)** Time of filing. A statement of organization shall be filed with the board within ten days after the financial filing threshold in subrule 4.1(1) has been exceeded. A statement must be physically received by the board or, if mailed, must bear a United States Postal Service postmark dated on or before the report due date. Faxed or electronically filed statements must be submitted on or before 11:59 p.m. of the tenth day after the organization of the committee is required. If the tenth day falls on a Saturday, Sunday, or holiday on which the board office is closed, the filing deadline is extended to the next working day when the board office is open.

This rule is intended to implement Iowa Code sections 56.4 and 56.5.

**351—4.2(56,68B) Information required: committee name.**

**4.2(1)** Full name required. The statement of organization shall include the full name of the committee. A committee using an abbreviation or acronym as part of the committee name shall provide with the statement of organization a written explanation of the full word or words that are abbreviated or that form the acronym.

**4.2(2)** Duplication of name prohibited. The committee name shall not substantially duplicate the name of another committee organized under Iowa Code chapter 56. The board shall determine whether two committee names are in substantial duplication in violation of Iowa Code section 56.5(2)“a.” A committee substantially duplicating the name of another organized committee shall choose a new committee name upon notification from the board. A candidate who files an amended statement of organization to reflect a change in office sought shall not be required to change the name of the candidate’s committee unless the committee’s name substantially duplicates the name of another organized committee.

**4.2(3)** Candidate’s surname required in committee name. A candidate filing a statement of organization on or after July 1, 1995, shall include the candidate’s surname within the committee name. This requirement also applies to a new candidate’s committee organized by a candidate who has a preexisting candidate’s committee but who organizes a new candidate’s committee or files an amended statement of organization.

This rule is intended to implement Iowa Code section 56.5.

**351—4.3(56,68B) Information required: committee purpose; party affiliation.**

**4.3(1)** Committee purpose. An organized campaign committee shall identify the purpose of the committee on the statement of organization. The purpose shall be indicated in part by designating the committee as one of the following types of committees:

Type 1 – A candidate’s committee for a statewide or legislative candidate.

Type 2 – A political committee that expressly advocates for or against multiple candidates at the state level or expressly advocates for or against a statewide ballot issue. This type of committee is referred to as a statewide PAC.

Type 3 – A state statutory political committee. This type of committee is referred to as a state party.

Type 4 – A candidate’s committee for a candidate seeking election to a public office at the county, city, school, or other political subdivision level.

Type 5 – A political committee that expressly advocates for or against multiple candidates for county, city, school, or

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

other political subdivision office. This type of committee is referred to as a county PAC.

Type 6 – A political committee that expressly advocates for or against a ballot issue, franchise or referendum conducted for a county, city, school, or other political subdivision ballot question. This type of committee is referred to as a local ballot issue committee.

Type 7 – A county or city statutory political committee. This type of committee is referred to as a county/city central committee.

**4.3(2)** Party affiliation. A candidate's committee is deemed to be established to expressly advocate the election of a candidate for public office. Each candidate's committee shall designate the political affiliation of the candidate. Any other committee shall designate that it is either established to expressly advocate the election or defeat of candidates or the passage or defeat of a ballot issue.

This rule is intended to implement Iowa Code section 56.5.

**351—4.4(56,68B) Information required: officers; committee information; signatures.**

**4.4(1)** Committee officers. The committee shall indicate on the statement of organization the name, mailing address, telephone number, and office of the committee officers. Every candidate's committee shall have at least a treasurer who shall be an Iowa resident who has reached the age of majority. Every political committee shall have at least a treasurer and a chairperson, each of whom shall have reached the age of majority.

**4.4(2)** Committee address and telephone number. The address and telephone number of the treasurer as indicated on the statement of organization shall be considered to be the official committee address and telephone number to be used for routine communication from the board to the committee.

**4.4(3)** Signatures. The statement of organization shall be signed by both the treasurer and candidate, in the case of a candidate's committee, or by the treasurer and chairperson, in the case of a political committee.

This rule is intended to implement Iowa Code section 56.5.

**351—4.5(56,68B) Segregation and timely deposit of funds; information required: identification of financial institution, account name; notice to treasurer.**

**4.5(1)** Segregation and deposit of funds. All committee funds shall be maintained in a financial institution and shall be segregated from any other funds held by a candidate, officer, member, or associate of the committee. The committee treasurer shall deposit all contributions within seven days of receipt by the treasurer in an account maintained by the committee.

**4.5(2)** Exception from segregation of committee funds. A candidate's committee that receives contributions only from the candidate is not required to maintain a separate account. A permanent organization temporarily engaging in activity that qualifies it as a political committee that uses existing general operating funds and does not solicit or receive funds from other sources for campaign purposes is not required to maintain a separate account.

**4.5(3)** Identification of financial institution and account. The committee shall disclose on the committee's statement of organization the name and mailing address of all financial institutions in which committee funds are maintained. The committee shall also disclose the name and type of all accounts in which committee funds are maintained, and the

name of any such account shall be the same as the committee name on the statement of organization.

**4.5(4)** Notice to treasurer. Any person who receives contributions for a committee shall render the contributions to the treasurer within 15 days of receipt and provide the committee treasurer with the reporting information required by Iowa Code section 56.3(2).

This rule is intended to implement Iowa Code sections 56.3 and 56.5.

**351—4.6(56,68B) Amendments to statement of organization; requirement for new statement of organization for new office sought.**

**4.6(1)** Amendment within 30 days. If there is a change in any of the information disclosed on a statement of organization, the committee shall file an amended statement within 30 days of the change. An amended statement of organization shall be filed with the board and the board shall make available to the appropriate county commissioner of elections an amended statement filed by a county, city, school, or other political subdivision committee.

**4.6(2)** New office sought. A candidate who filed a statement of organization for one office but eventually seeks another office may file an amended statement of organization to reflect the change in office sought in lieu of dissolving the old committee and organizing a new committee. A candidate who files an amended statement of organization reflecting a change in office sought may be required to amend the committee's name to comply with Iowa Code section 56.5(2)“a” and rule 351—4.2(56,68B).

This rule is intended to implement Iowa Code section 56.5.

DIVISION II

REPORTING AND FINANCIAL TRANSACTION REQUIREMENTS

**351—4.7(56,68B) Disclosure reporting required; information on initial report; minimum filing if no activity.**

**4.7(1)** Disclosure reporting required. Every committee that has filed a statement of organization under Iowa Code section 56.5 and rule 351—4.1(56,68B) shall file a campaign disclosure report summary page (Form DR-2) and any appropriate disclosure reporting schedules or shall file a voluntary committee statement as provided in rule 351—4.11(56,68B). Either the disclosure reporting information or the voluntary committee statement shall be filed on or before the due dates required under Iowa Code section 56.6 and rule 351—4.9(56,68B).

**4.7(2)** Information on initial report. The first disclosure report filed by a committee shall include the relevant financial information covering the period from the beginning of the committee's financial activity through the end of the current reporting period.

**4.7(3)** Funds available from prior committee. If funds are available to a candidate's committee from a prior candidacy of that candidate, or to a ballot issue committee from a prior effort on a ballot issue, and the prior candidacy or effort had not exceeded the financial reporting threshold, the carryover balance shall be disclosed by the new committee. The disclosure shall be made on Schedule A - Contributions and shall include the amount of the carryover, the date of the prior election, and the name and address of any source that made contributions to the candidacy or ballot effort that totaled more than \$750 during the preceding three calendar years.

**4.7(4)** Funds available from preballot issue activity. Funds that are raised for an activity that is not included in the definition of a ballot issue in Iowa Code section 56.2(1) and that are made available to a subsequent ballot issue commit-

ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

tee shall be disclosed by the committee. The disclosure shall be made on Schedule A - Contributions and shall include the amount of the carryover balance, the date of the preballot issue activity, and the name and address of any source that made contributions to the activity that totaled more than \$750 during the previous three calendar years.

4.7(5) No financial activity during reporting period. A committee that did not have any financial activity during the relevant reporting period for which a disclosure report is due shall be required to file only Form DR-2. However, if the committee had previously disclosed debts or loans, those obligations shall again be disclosed on either Schedule D - Incurred Indebtedness or Schedule F - Loans Received and Repaid, as appropriate, and the schedule or schedules shall be included with Form DR-2. A candidate's committee that has reportable campaign property under Iowa Code section 56.43 shall disclose the property on Schedule H - Campaign Property and the schedule shall be included with Form DR-2.

This rule is intended to implement Iowa Code section 56.6.

351—4.9(56,68B) Report due dates.

4.9(1) Statewide and general assembly candidates' committees—covering election year.

<u>Report due</u>	<u>Covering period</u>
May 19	January 1 through May 14
Friday preceding primary*	May 15 through Tuesday preceding primary*
July 19	May 15 or Wednesday preceding primary* through July 14
October 19	July 15 through October 14
Friday preceding general*	October 15 through Tuesday preceding general*
January 19 (next calendar year)	October 15 or Wednesday preceding general* through December 31 of election year

\*If supplementary report required because additional financial threshold surpassed. See subrule 4.9(4).

4.9(2) Statewide and general assembly candidates' committees—covering nonelection year.

<u>Report due</u>	<u>Covering period</u>
January 19 (next calendar year)	January 1 through December 31 of nonelection year

4.9(3) Statewide and general assembly candidates' committees—covering special election.

<u>Report due</u>	<u>Covering period</u>
14th day prior to election	Date of initial financial activity (or day after period covered by last report, if previous report filed) through 19 days prior to election
Friday preceding election*	18th day preceding election through Tuesday preceding election*

\*If supplementary report required because additional financial threshold surpassed. See subrule 4.9(4).

This schedule is in addition to reports which may be required under subrules 4.9(1) and 4.9(2) because of prior or continued existence of the committee.

4.9(4) Statewide and general assembly candidates' committees—election year supplemental reports. In addition to reports required under subrules 4.9(1) and 4.9(3), a supplemental report is required if contributions received during the period beginning on the date of initial financial activity (if no previous report was filed) or the day after the period covered by the last report (if a previous report was filed) through the Tuesday preceding the primary or general election equal or exceed the following thresholds:

<u>Office sought</u>	<u>Contribution threshold</u>
Governor	\$10,000 or more
Other statewide	5,000 or more
General assembly	1,000 or more

351—4.8(56,68B) Disclosure reporting required—where reports filed.

4.8(1) Place of filing. Disclosure reports shall be filed with the board at 514 E. Locust, Suite 104, Des Moines, Iowa 50309. Reports may also be filed by fax at (515)281-3701, or electronically through the board's Web site at [www.iowa.gov/ethics](http://www.iowa.gov/ethics).

4.8(2) Reports made available to county commissioner. The board shall make available to the appropriate county commissioner of elections reports filed by a county, city, school, or other political subdivision committee. The board shall make available to the appropriate county commissioner of elections the report summary page (DR-2) and the relevant pages of a report filed by a political committee that makes contributions to both state and local committees.

This rule is intended to implement Iowa Code sections 56.4 and 56.6.

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**4.9(5)** County candidates' committees—covering election year.

<u>Report due</u>	<u>Covering period</u>
May 19	January 1 through May 14
July 19	May 15 through July 14
October 19	July 15 through October 14
January 19 (next calendar year)	October 15 through December 31 of election year

**4.9(6)** County candidates' committees—covering nonelection year.

<u>Report due</u>	<u>Covering period</u>
January 19 (next calendar year)	January 1 through December 31 of nonelection year

**4.9(7)** Local candidates' committees, local ballot issue or franchise election committees, and slate committees—election year.

<u>Report due</u>	<u>Covering period</u>
May 19	Date of initial financial activity (or day after period covered by last report, if previous report filed) through May 14
July 19	Date of initial financial activity (or day after period covered by last report, if previous report filed) through July 14
5 days prior to election**	Date of initial financial activity (or day after period covered by last report, if previous report filed) through 10 days prior to election
First of month after final election**	Date of initial financial activity (or day after period covered by last report, if previous report filed) to 5 days prior to due date
January 19 (next calendar year)	Date of initial financial activity (or day after period covered by last report, if previous report filed) through January 14 of filing year

\*\*The 5 days prior to the election due date may apply multiple times during a year, if there are primary or runoff elections in which a candidate's name is on the ballot, or if a ballot issue or franchise expressly advocated by a committee is on the ballot. The first of the month after final election report is required from a candidate's committee and slate committees supporting a candidate after the last election for that election cycle in which the candidate's name was on the ballot. For example, a candidate who is eliminated in a primary would owe the first of the month after final election report on the first of the month after the primary, but would not owe a 5 days prior to election report for the next election to determine the outcome of the contest for the office sought; whereas a candidate who was not eliminated by a primary election (or a general election triggering a runoff election) would owe a report 5 days prior to the general (or runoff) election, but would not owe a first of the month after final election report until the first of the month after the general (or runoff) election in which the final selection for the office sought is determined.

**4.9(8)** Local candidates' committees, local ballot issue or franchise election committees, and slate committees—nonelection year.

<u>Report due</u>	<u>Covering period</u>
January 19	Date of initial financial activity (or day after period covered by last report, if previous report filed) through January 14 of filing year
October 19	Date of initial financial activity (or day after period covered by last report, if previous report filed) through October 14

**4.9(9)** Statewide or county PAC (all years).

<u>Report due</u>	<u>Covering period</u>
May 19	January 1 through May 14
July 19	May 15 through July 14
October 19	July 15 through October 14
January 19	October 15 through December 31

**4.9(10)** State, county, or city statutory political committees (central committees)—election year.

<u>Report due</u>	<u>Covering period</u>
May 19	January 1 through May 14
July 19	May 15 through July 14
October 19	July 15 through October 14
January 19 (next calendar year)	October 15 through December 31 of election year

**4.9(11)** State, county, or city statutory political committees (central committees)—nonelection year.

<u>Report due</u>	<u>Covering period</u>
October 19	January 1 through October 14
January 19 (next calendar year)	October 15 through December 31 of nonelection year

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**4.9(12)** Definition of “election year.” An “election year” refers to the year that the candidates or ballot issue appears on any election ballot.

This rule is intended to implement Iowa Code section 56.6.

**351—4.10(56,68B) Time of filing.** A report must be physically received by the board or, if mailed, must bear a United States Postal Service postmark dated on or before the report due date. Faxed or electronically filed reports must be submitted on or before 11:59 p.m. of the report due date. If the due date falls on a Saturday, Sunday, or holiday on which the board office is closed, the due date is extended to the first working day when the board office is open.

This rule is intended to implement Iowa Code section 56.6.

**351—4.11(56,68B) Exception from reporting requirement—voluntary reports.**

**4.11(1)** Entities which have not passed financial threshold. An entity which is not subject to the Iowa campaign disclosure law because it has not yet exceeded the \$750 financial threshold, as defined in subrule 4.1(1), but which files a statement of organization which indicates the express advocacy of the election or defeat of candidates or the express advocacy of the passage or defeat of a ballot issue shall be referred to as a “voluntary committee.” A “voluntary committee” will not be considered to be delinquent for failure to comply with filing deadlines unless the entity later becomes subject to the mandatory filing of reports because it has exceeded the financial threshold. If the entity remains under the financial threshold, any documents filed by the entity shall be marked as “voluntary” and kept in the active committee files until: (1) the entity files a notice of dissolution; (2) the entity files a signed statement indicating that the “voluntary committee” has discontinued the use of its funds for political purposes, and that the financial threshold was not and will not be exceeded during the calendar year; or (3) the board orders the committee’s file to be removed from the active committee files and placed in the inactive committee files. Upon receipt of an initial report from the entity indicating that the financial threshold has not yet been exceeded, or upon receipt of an initial signed statement from the committee indicating that a report will not be filed because the threshold has not been exceeded, the board staff shall notify the “voluntary committee” of the provisions and requirements of this subrule and subrule 4.11(2).

**4.11(2)** Statements required from “voluntary committee.” A “voluntary committee” within the meaning of subrule 4.11(1) shall provide a signed statement to the board or commissioner, as appropriate, for each reporting period which occurs after the filing of the statement of organization, which attests that the “voluntary committee” has not exceeded the financial threshold through the end of the reporting period. A “voluntary committee” which fails to provide this statement shall be presumed to have exceeded the financial threshold and owe a disclosure report and may become subject to penalties pursuant to 351—Chapter 6.

**4.11(3)** Entities which support or oppose public policy or legislative issues. An entity which is not subject to the Iowa campaign disclosure law because it has not yet exceeded the \$750 financial threshold, as defined in subrule 4.1(1), but which files a statement of organization which does not indicate the express advocacy of candidates or a ballot issue, but rather indicates support or opposition of a public policy or legislative issue shall be referred to as an “issue advocacy committee.” Documents filed by an entity which is an “issue

advocacy committee” shall be marked as “voluntary” but shall not be maintained with open or inactive committee files, nor shall the entity be considered to be delinquent for failure to comply with filing deadlines. Upon receipt of a statement of organization from an “issue advocacy committee,” the board staff shall notify the entity that it is not subject to the campaign disclosure law and that reports from the entity will not be maintained with political committee files.

This rule is intended to implement Iowa Code sections 56.5 and 56.6.

**351—4.12(56,68B) Exception from reporting requirement—reports due within five days of one another.** When two disclosure reports are due from the same committee within five days of each other, the activity may be combined into one report. A committee choosing this option shall file a report on or before the second due date that covers the extended reporting period.

This rule is intended to implement Iowa Code section 56.6.

**351—4.13(56,68B) Report forms—summary page (DR-2) and supporting schedules.** The board may require committees to submit relevant information not specifically delineated in Iowa Code chapter 56 on their disclosure report where the report form asks for and leaves space for information. All information shall be pertinent to the duties of the board.

**4.13(1)** Official reporting forms. The disclosure reporting forms provided by the board shall be the official forms on which the disclosure reports shall be submitted. Machine copies of original report forms are acceptable. The standard forms for campaign disclosure reports are:

- DR-2 — Disclosure Summary Page
- Schedule A — Monetary Receipts
- Schedule B — Monetary Expenditures
- Schedule C — (Reserved)
- Schedule D — Incurred Indebtedness
- Schedule E — In-kind Contributions
- Schedule F — Loans Received and Repaid
- Schedule G — Consultant Activity
- Schedule H — Campaign Property

**4.13(2)** Computer-generated reports. Disclosure reports generated by committees through the use of reporting software issued by the board are per se acceptable in lieu of use of the board’s approved paper forms. Computer-generated or printed disclosure reports generated by software other than the reporting software issued by the board may be acceptable, subject to prior board approval.

**4.13(3)** Typewritten or legible ink reports required. Information which is provided on all forms shall be either typewritten or printed legibly in black ink. Approved computer-generated reports satisfy this requirement.

**4.13(4)** Special information required for city, school, or local ballot issue elections. Committees expressly advocating the election or defeat of a candidate for city or school public office, or expressly advocating the passage or defeat of a local ballot issue, shall indicate in the designated spaces on the report summary page the date that the election is to be held, the period covered by the disclosure report, and the control county responsible for conducting the election.

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**4.13(5)** Signatures on DR-2 Report Summary Page. In the case of a political committee, the DR-2 Report Summary Page shall be signed by the treasurer or chairperson of the committee. In the case of a candidate's committee, the DR-2 Report Summary Page shall be signed by the treasurer or candidate.

This rule is intended to implement Iowa Code sections 56.6 and 56.7.

**351—4.14(56,68B) Schedule A - Monetary Receipts.**

**4.14(1)** Reporting of all monetary receipts; chronological or alphabetical listings. The committee shall report the amounts of all monetary receipts which are accepted by the committee during the reporting period. If a contribution is returned to a contributor prior to the end of the reporting period and is not deposited into the committee's bank account, the contribution is deemed to have been rejected and shall not be reported. A contribution which is physically received and either deposited into the committee's account or not returned by the end of the reporting period is deemed to have been accepted. The schedule entries shall be listed in either chronological or alphabetical order by name of contributor.

**4.14(2)** Date of contribution—date received. The schedule shall include the complete date (month/day/year) the contribution was physically received by a person on behalf of the committee. If the contribution is by check, the date of the contribution to be reported is the date the check is physically received by a person on behalf of the committee, even if this date is different from the date shown on the check.

**4.14(3)** Name and address of contributor; joint accounts. The schedule shall include the name and address of each person who has made one or more contributions of money to the committee if the aggregate amount of contributions (either monetary or in-kind) received from that person in the calendar year exceeds \$25, except that the itemization threshold is \$200 for a state statutory political committee and \$50 for a county statutory political committee. In the case of a contribution by check, the contributor name on the disclosure report shall be the name shown as the account name on the account, except that if the check is on a joint account, the contribution shall be presumed to be from the person who signs the check. If the committee chooses to itemize contributions that are less than the required itemization threshold, it may do so, but shall either do so for all contributions or none of the contributions under the threshold.

**4.14(4)** Unitemized contributions and freewill donations. If the committee does not choose to itemize all contributions under the itemization threshold (\$25 for most committees, see Iowa Code section 56.6(3)"b"), it shall aggregate these contributions and report the aggregate amount as "unitemized contributions." No date received is required to be provided for miscellaneous unitemized contributions. Unitemized contributions may be solicited and received through a freewill donation such as a "fish bowl" or "pass the hat" collection if the collection is in compliance with rule 351—4.30(56,68B). Unitemized contributions collected through freewill donations (the net amount of the collection after the itemization of those persons whose contributions of more than \$10 in the freewill collection resulted in exceeding the annual itemization threshold) shall be reported by showing the net amount as "unitemized contributions—pass the hat (or can collection or fish bowl, for example) collection." The "date received" to be reported for a freewill donation is the date a representative of the committee takes possession of the proceeds of the collection.

**4.14(5)** Relationship to candidate. In the case of contributions to candidates' committees, the schedule shall include

information indicating whether the contributor is related to the candidate within the third degree of consanguinity or affinity. "Consanguinity" means a relative through descent from common ancestors (by blood). "Affinity" means a relative through a current marriage. A husband has the same relation, by affinity, to his wife's blood relatives as she has to them by consanguinity and vice versa. "Degree of kinship" is determined by counting upward from one of the persons in question to the nearest common ancestor, and then down to the other person, calling it one degree for each generation in the ascending as well as the descending line. Under this rule, a woman's sister is related to her by consanguinity in the second degree. The sister is thus related to the woman's husband by affinity in the second degree. Other examples of relationships within the third degree between a contributor and a candidate would be the following: children and stepchildren (first degree); siblings and half-siblings (second degree); grandparents (second degree); grandchildren (second degree); aunts and uncles (third degree); nieces and nephews (third degree); great-grandparents (third degree) and great-grandchildren (third degree), all irrespective of whether the blood relationship is to the candidate or to the candidate's spouse.

**4.14(6)** PAC ID number and PAC check number. If a monetary contribution to a statewide or general assembly candidate is from a political committee other than a statutory committee (i.e., from a PAC), the candidate's committee receiving the contribution shall include in the spaces provided the board-assigned identification number of the contributing PAC and the PAC check number by which the contribution was made. A list of PAC ID numbers may be obtained from the board.

**4.14(7)** Fund-raiser income. Contributions arising from the sale of goods or services at a fund-raising event shall be designated by marking the indicated space on the schedule.

**4.14(8)** Interest and other monetary receipts other than contributions. If the monetary receipt is not a "contribution," the name and address of the source of the funds shall be identified in the space provided for the name and address of "contributor," with a notation as to the purpose of the payment, such as "bank interest."

**4.14(9)** Reverse entries—refunds. If a committee determines to decline or otherwise return a contribution after it has been received, accepted, and deposited, the committee may issue a refund to the contributor, which shall be reported on Schedule A as a reverse entry, reducing the monetary receipts.

This rule is intended to implement Iowa Code section 56.6.

**351—4.15(56,68B) Schedule B - Monetary Expenditures.**

**4.15(1)** Date expended. The committee shall report the amounts of all itemized expenditures (expenditures of \$5 or more) made by the committee for the reporting period chronologically by the date expended. The date of the expenditure is the date the check is issued. The complete date (month/day/year) shall be provided.

**4.15(2)** Name and address of recipient. The schedule shall include the name and address of each person to whom disbursements, other than loan repayments, were made during the reporting period. (Loan repayments shall be reported on Schedule F.)

**4.15(3)** Purpose of expenditure. The schedule shall include a description of the purpose of each disbursement. The description shall be a clear and concise statement that specifically describes the transaction which has occurred. The following general terms are examples of descriptions which are

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not acceptable: “expenses,” “reimbursement,” “candidate expense,” “services,” “supplies,” and “miscellaneous expense.” The following are examples of acceptable descriptions: “printing—candidate yard signs,” “printing—PAC membership solicitation letter,” “mailing—candidate brochures,” “reimbursement for candidate lodging to attend campaign event,” or “mileage reimbursement—150 miles @ 25¢ per mile.” A combined description is not acceptable unless sufficient information is provided so that the cost of separate purposes can be discerned, for example, “printing and mailing of 1,000 brochures.”

**4.15(4)** Miscellaneous (unitemized) expenses. Notwithstanding the other provisions of this rule, disbursements of less than \$5 may be shown as miscellaneous disbursements or expenses for the period so long as the aggregate miscellaneous disbursements to any one person during a calendar year do not exceed \$100.

**4.15(5)** Candidate ID number and PAC check number. If a contribution is made by a political committee other than a statutory committee (i.e., by a PAC) to a statewide or general assembly candidate, the PAC making the contribution shall include in the spaces provided the board-assigned identification number of the recipient candidate’s committee and the PAC check number by which the contribution was made. A list of candidate ID numbers may be obtained from the board.

**4.15(6)** Check transactions required. All disbursements, including all expenditures and any other withdrawals from committee funds, shall be by check. Cash withdrawals and “petty cash” accounts are not permitted. Committees’ activities which necessitate cash drawers or other cash transactions shall be conducted and reported as provided by rule 351—4.36(56,68B).

**4.15(7)** Reverse entries—refunds. If a committee receives a refund of all or part of a disbursement previously made, the committee shall report the refund on Schedule B as a reverse entry, reducing the monetary expenditures. The purpose should include an explanation as to why the refund was made.

**4.15(8)** Interest paid; bank charges. Although repayments of loan principal are reported on Schedule F (see rule 351—4.18(56,68B)), interest payments on loans shall be reported on Schedule B. Bank service charges and fees (e.g., monthly service fees, costs for check printing, returned check charges) shall also be reported and identified on Schedule B.

This rule is intended to implement Iowa Code section 56.6.

**351—4.16(56,68B) Schedule D - Incurred Indebtedness.**

**4.16(1)** Reporting of debts and obligations other than monetary loans. The committee shall report all debts and obligations owed by the committee which are in excess of the thresholds in subrule 4.14(3). This applies to any unpaid debt or obligations incurred by the committee for the purchase of a good or service, either as a debt or obligation owed to the immediate provider of the good or service, or as a debt or obligation owed to an individual who initially personally paid for the good or service on behalf of the committee with the expectation of ultimately receiving reimbursement from the committee. However, monetary loans to the committee (which are deposited directly into the committee’s account) shall be reported on Schedule F, not on Schedule D.

**4.16(2)** Date incurred; balance owed. The committee shall report the amounts of all indebtedness owed by the committee at the end of the reporting period, reported chronologically by the date incurred. The date the debt or obligation is incurred is the date on which the committee committed to obtaining the good or service underlying the obligation.

This date may be earlier than the date the provider of the good or service issues a bill to the committee. For example, if the committee places a printing order, but the printer does not issue a bill until some time after the order is placed, the date which shall be reported as the date the debt was incurred is the date the order is placed, not the date the bill was issued. If the precise amount of the final bill is not known by the time the report is due, the committee shall provide its best estimate as to what the obligation will be, with an indication “(e)” that the amount reported is an estimate. The complete date (month/day/year) shall be provided. Debts and obligations incurred and reported in a prior reporting period but which remain unpaid as of the end of the current reporting period shall be included, showing the remaining balance on the obligation, as well as any new obligations incurred in the current reporting period. Payments of all or part of a previously reported obligation shall be reported as expenditures on Schedule B.

**4.16(3)** Name and address of person to whom the debt or obligation is owed. The schedule shall contain the name and address of each person to whom an obligation is owed, including both those obligations which were incurred during the reporting period and those outstanding obligations which are being carried forward from prior reports. If the obligation is owed to an individual who initially personally paid for the good or service on behalf of the committee with the expectation of ultimately receiving reimbursement from the committee, the original nature of the obligation shall be provided; the name and address of the original provider of the good or service shall also be provided, unless the nature of the obligation indicates that the obligation is for the reimbursement for mileage or postage stamps.

**4.16(4)** Nature of obligation. The schedule shall include a description of the nature of each obligation. The description shall be a clear and concise statement that specifically describes the transaction which has occurred. The following general terms are examples of descriptions which are not acceptable: “expenses,” “reimbursement,” “candidate expense,” “services,” “supplies,” and “miscellaneous expense.” The following are examples of acceptable descriptions: “printing—candidate yard signs,” “printing—PAC membership solicitation letter,” “mailing—candidate brochures,” “anticipated reimbursement for candidate lodging to attend campaign event,” or “anticipated mileage reimbursement—150 miles @ 25¢ per mile.” A combined description is not acceptable unless sufficient information is provided so that the cost of separate purposes can be discerned, for example, “printing and mailing of 1,000 brochures.”

This rule is intended to implement Iowa Code section 56.6.

**351—4.17(56,68B) Schedule E - In-kind Contributions.**

**4.17(1)** Reporting of all in-kind contributions; chronological or alphabetical listings. The committee shall report the amounts of all in-kind contributions which are accepted by the committee during the reporting period. The schedule entries shall be listed in either chronological or alphabetical order by name of contributor.

**4.17(2)** Date of contribution—date received. The schedule shall include the complete date (month/day/year) on which the in-kind contribution was physically received by a person on behalf of the committee.

**4.17(3)** Name and address of contributor. The schedule shall include the name and address of each person who has made one or more in-kind contributions to the committee if the aggregate amount of contributions (either monetary or in-

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kind) received from that person in the calendar year exceeds \$25, except that the itemization threshold is \$200 for a state statutory political committee and \$50 for a county statutory political committee.

**4.17(4)** Relationship to candidate. In the case of in-kind contributions to candidates' committees, the schedule shall include information indicating whether the contributor is related to the candidate within the third degree of consanguinity or affinity, as defined in subrule 4.14(5).

**4.17(5)** Description of in-kind contribution; loaned equipment as in-kind contribution.

a. The schedule shall include a description of the good or service contributed to the committee in kind. The description shall be a clear and concise statement that specifically describes the transaction which has occurred.

b. A committee's use of equipment owned by another organization, committee, or individual is reportable as an in-kind contribution. Equipment includes, but is not limited to, typewriters, calculators, copy machines, office furniture, computers and printers.

**4.17(6)** Fair market value. The committee shall provide either the actual (if known) or estimated fair market value of the good or service received.

**4.17(7)** Fund-raiser item. Goods or services contributed in kind for sale at a fund-raising event shall be designated by marking the indicated space on the schedule.

**4.17(8)** Unitemized contributions. Notwithstanding the other provisions of this rule, in-kind contributions with a fair market value less than the itemization threshold noted in subrule 4.17(3) may be reported as "unitemized in-kind contributions."

This rule is intended to implement Iowa Code section 56.6.

### **351—4.18(56,68B) Schedule F - Loans Received and Repaid.**

**4.18(1)** Reporting of monetary loans (not debts and obligations for goods and services). The committee shall report all loan activity made to or repaid by the committee during the reporting period. This applies to any loan of money which is deposited into the committee's accounts. However, other debts and obligations owed for the provision of goods or services to the committee (which are not monetary advances deposited into the committee's account) shall be reported on Schedule D, not on Schedule F.

**4.18(2)** Report of lump sum of unpaid loans carried over from last report. The schedule shall contain a beginning entry of the total unpaid loans as of the last report. Loans received and itemized on prior reports should not be re-itemized on the current report, except as necessary to indicate repayment activity.

**4.18(3)** Date received. The schedule shall include the complete date (month/day/year) the loan was physically received by a person on behalf of the committee. If the loan was by check, the date of the loan to be reported is the date the check is physically received by a person on behalf of the committee, even if this date is different from the date shown on the check.

**4.18(4)** Date paid. The schedule shall include the complete date (month/day/year) a full or partial loan repayment is made by the committee. The date of the repayment is the date the check is issued. Full or partial loan repayments shall be shown on this schedule and should not be reported on Schedule B. However, loan interest payments shall be reported on Schedule B (see rule 351—4.15(56,68B)) and not on Schedule F. Loans which may be and are forgiven in full or in part are considered in-kind contributions and shall be itemized on

Schedule E, with a cross-reference entry in the space provided on Schedule F.

**4.18(5)** Name and address of lender. The schedule shall include the name and address of each person who has made one or more loans of money to the committee during the reporting period, or to whom the committee makes a full or partial loan repayment during the reporting period. If the person who made the loan to the committee is not the original source of the money, when the original source of the money is a third party (such as a bank which loans money to an individual who loans it to the committee) or if a third party has personally paid and assumed a loan from the original lender (such as an individual who pays off the loan to the bank with the expectation of receiving the loan repayment from the committee), the report shall also identify the name and address of the third party.

**4.18(6)** Relationship to candidate. In the case of monetary loans to candidates' committees, the schedule shall include information indicating whether the lender is related to the candidate within the third degree of consanguinity or affinity, as defined in subrule 4.14(5).

This rule is intended to implement Iowa Code section 56.6.

### **351—4.19(56,68B) Schedule G - Breakdown of Monetary Expenditures by Consultants.**

A candidate's committee which enters into a contract with a consultant for future or continuing performance shall be required to report expenditures made to the consultant and the nature of the performance of the consultant which is expected to be received by the candidate's committee. A candidate's committee is required to report in Part 1 of Schedule G any contracts with consultants which it has negotiated, the complete name and address of the consultant, the period of time in which the contract is in effect, and estimates of performance to be derived from the contract. Expenditures made to the consultant during a reporting period shall be reported with all other expenditures on Schedule B, and debts incurred with the consultant during the reporting period shall be reported with all other debts on Schedule D. Additionally, a detailed breakdown of the expenditures made by the consultant shall be reported by the candidate's committee in Part 2 of Schedule G and shall include the date of the expenditure, the purpose of the expenditure and the amount of the expenditure. The description of the purpose of the expenditure shall be consistent with the provisions of subrule 4.15(3).

For purposes of this rule, "contract" means an oral or written agreement between two parties for the supply or delivery of specific services in the course of the campaign. "Performance" means the execution or fulfillment of the contractual agreement. "Nature of performance" means a clear description of the specific services received or benefit derived as the result of a contract with a consultant. "Estimate of performance" means a clear description of the expected services the candidate reasonably expects to be received or benefit to be derived during the period of the contract.

This rule is intended to implement Iowa Code sections 56.2 and 56.6.

### **351—4.20(56,68B) Schedule H - Campaign Property.**

**4.20(1)** Ongoing inventory. Equipment, supplies, or other materials purchased with campaign funds or received in kind are campaign property. Campaign property, other than consumable campaign property, with a value of \$500 or more when acquired by the committee shall be listed on the inventory section of the schedule. The property shall be listed on each report until it is disposed of by the committee or its re-

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sidual value falls below \$100. "Consumable campaign property" means stationery, yard signs, and other campaign materials which have been permanently imprinted to be specific to a candidate or election. For property purchased by the committee, the date purchased shall be the earlier of the date the committee attained physical possession of the property or the date the committee issued payment for the property. For in-kind contributions, the date received shall be the date on which the committee attained physical possession of the property. The committee shall provide the complete date (month/day/year). The schedules shall include the purchase price of property purchased by the committee and the actual or estimated fair market value of property received as an in-kind contribution, as well as the actual or estimated current fair market value of the property at the end of the current reporting period.

**4.20(2)** Sales or transfers of campaign property. The schedule shall include information regarding the sale or transfer of campaign property, other than consumable campaign property, which occurred during the current reporting period. The information shall include the complete date of the transaction (month/day/year), the name and address of the purchaser or donee, and a description of the property. If the property is sold, the information shall include the sales price received; if the property is donated, the information shall include the fair market value of the property at the time of the transfer.

This rule is intended to implement Iowa Code sections 56.6 and 56.43.

**351—4.21(56) Reconciled bank statement required with January report and final report.**

**4.21(1)** A committee that participates in an election at the state level and that is required by Iowa Code section 56.6 to file a disclosure report on or before January 19 of each year shall attach to or submit with that disclosure report a copy of the committee's bank statement that includes activity through December 31 of the year reported.

**4.21(2)** A committee that participates in an election at the county, city, school, or other political subdivision level and that is required by Iowa Code section 56.6 to file a disclosure report on or before January 19 of each year is not required to attach or submit a copy of the committee's bank statement unless requested to do so by the board. If such a committee is requested to file the bank statement, the committee shall comply with the requirements of rule 351—4.21(56).

**4.21(3)** If the bank statement cycle is such that the committee has not received the statement including activity through December 31 by the date for filing the January report, the committee shall separately file or submit the bank statement within ten days after receipt of the statement by the committee.

**4.21(4)** The committee shall include a reconciliation to justify outstanding checks and other discrepancies between the ending balance on the bank statement and the ending balance on the disclosure report.

**4.21(5)** A committee that files a final disclosure report shall comply with the requirements of subrule 4.54(3) concerning the filing of a final bank statement.

**4.21(6)** A committee seeking a waiver from the requirements of this rule may do so in accordance with 351—Chapter 15.

This rule is intended to implement Iowa Code section 56.6.

**351—4.22(56,68B) Verification of reports; incomplete reports.**

**4.22(1)** The board staff will review and desk audit each disclosure report. The board may contact other parties to verify the accuracy and completeness of the reports. The board may contact a representative of the committee and may contact other parties to determine the authenticity of information provided about filed reports.

**4.22(2)** If, upon review, board staff determine that a committee's report is incomplete because required information has been omitted or has been incorrectly reported, the staff shall communicate the deficiencies to the committee. A failure to satisfactorily respond to or to remedy the error or omission may be grounds for a violation of Iowa Code section 56.6 as a failure to file a report which conforms to the requirements of that provision.

This rule is intended to implement Iowa Code sections 56.6 and 68B.32A.

**351—4.23(56,68B) Amendment—statements, disclosure reports and notices.** A committee may amend a previously filed statement of organization, disclosure report or notice of dissolution. To amend a previously filed statement, report or notice, the committee shall file an amended document on the approved form and shall designate on the form in the space provided, if applicable, that the document being filed is an amendment to a previously filed statement, report or notice. The term "amended document" as used in this rule shall mean a document on forms issued by the board which includes only the information which is being added, deleted or changed from a previously filed statement of organization or notice of dissolution.

This rule is intended to implement Iowa Code section 56.6.

**351—4.24** Reserved.

**351—4.25(56,68B) Legitimate expenditures of campaign funds.**

**4.25(1)** Expenses which may be paid from campaign funds for campaign purposes include, but are not limited to, the following items so long as the items promote or enhance the candidacy of the candidate:

a. Electronic media advertising, such as radio, cable television and commercial television.

b. Published advertising, such as newspaper, magazine, newsletter and shopper advertising.

c. Printed promotional materials, such as brochures, leaflets, flyers, invitations, stationery, envelopes, reply cards, return envelopes, campaign business cards, direct mailings, postcards and "cowboy" political cards.

d. Political signs, such as yard signs, car signs, portable outdoor advertising, stationary outdoor advertising and billboards.

e. Political advertising specialty items, such as campaign buttons, campaign stickers, bumper stickers, campaign pins, pencils, pens, matchbooks, balloons, scratch pads, calendars, magnets, key chains, campaign caps and T-shirts.

f. Travel and lodging expenses of the campaign workers for campaign purposes and political party activities. Travel and lodging expenses to attend a national political party convention are prohibited unless the candidate can substantiate that the sole reason for attending the convention is to enhance the candidacy of the candidate.

g. Contributions to political party committees.

h. Payment for fund-raiser tickets for meals for events sponsored by a nonparty political committee or by another candidate's committee that the candidate actually attends provided that the payment for the meal is limited to the actual cost of the ticket or \$25, whichever is less. If a candidate de-

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termines that attendance by one guest would promote or enhance the candidacy, a ticket for the guest's meal is a legitimate campaign expense, provided that the candidate and guest actually attend, and that payment for each meal is limited to the cost of a ticket or \$25, whichever is less.

i. General campaign expenditures, such as printing, copy machine charges, office supplies, campaign photographs, gambling permits, fundraiser prizes, postage stamps, postage meter costs, bulk mail permits, telephone installation and service, facsimile charges and computer services.

j. Purchase or lease of campaign equipment, such as copy machines, telephones, facsimile machines, computer hardware, software and printers.

k. Purchase or lease of campaign office space, parking lots or storage space and the payment for campaign office utilities and maintenance.

l. Payment of salaries, fringe benefits and payroll taxes of paid campaign staff.

m. Payment for check printing and financial institution banking service charges.

n. Lease or rental of a campaign vehicle, provided that a detailed trip log which provides dates, miles driven, destination and purpose is maintained, and that noncampaign miles are reimbursed to the committee at an amount not to exceed the current rate of reimbursement allowed under the standard mileage rate for computations of business expenses pursuant to the Internal Revenue Code. However, the purchase of a campaign vehicle is prohibited.

o. Reimbursement to candidates and campaign workers for mileage driven for campaign purposes in a personal vehicle, provided that a detailed trip log which provides dates, miles driven, destination and purpose is maintained, and that reimbursement is paid at an amount not to exceed the current rate of reimbursement allowed under the standard mileage rate for computations of business expenses pursuant to the Internal Revenue Code.

p. Payment for food expenses and supplies for campaign-related activities, such as the purchase of food, beverages and table service for fund-raising events or campaign volunteers. However, except as provided in paragraph "h," the purchase of tickets for meals or fund-raising events for other candidates is prohibited, and the purchase of groceries for the candidate or candidate's family is also prohibited. Payment for meals for the candidate (other than those involving tickets for fundraiser events as addressed in paragraph "h") is permitted as an allowable expenditure for campaign purposes if the meal was associated with campaign-related activities.

q. Payment of civil penalties and hearing costs assessed by the board.

r. Payment for the services of attorneys, accountants, consultants or other professional persons when those services relate to campaign activities.

s. Subscriptions to newspapers and periodicals.

t. Membership in service organizations.

u. Repayment of campaign loans made to the committee.

v. Purchase of reports of other candidates and political committees so long as the reports' contents are not used for solicitation or commercial purposes.

w. Transfers of funds to charitable organizations which qualify for tax-exempt status under Section 501(c) of the Internal Revenue Service regulations.

x. Contributions to federal, state, county and city political party committees.

y. Refunds to contributors when a contribution has been

accepted in error, or when a committee chooses to dispose of leftover funds by refunding them in prorated shares to the original contributors.

z. Payments of cash not to exceed \$250 per person, or payments for items with a purchase price not to exceed \$250 per person, which are presented to committee workers in recognition of a worker's services to the committee for the most recent election cycle for which the committee was active. However, this does not preclude a committee from paying compensation to a committee worker after the close of the reporting period in which the work was performed, so long as an obligation to pay the compensation was reported for that reporting period.

aa. Expenses incurred with respect to an election recount as provided in Iowa Code section 50.48.

**4.25(2)** Expenses which may be paid from campaign funds for educational and other expenses associated with the duties of office include, but are not limited to, the following items:

a. Purchase or lease of office supplies and equipment, such as paper, copy machines, telephones, facsimile machines, computer hardware, software and printers.

b. Travel, lodging and registration expenses associated with attendance at an educational conference of a state, national, or regional organization whose memberships and officers are primarily composed of state or local government officials or employees. However, meal expenses are not allowable as expenses associated with the duties of office under any circumstances.

c. Meals and other expenses incurred in connection with attending a local meeting to which the officeholder is invited and attends due to the officeholder's official position as an elected official.

d. Purchases of small, incidental items such as pencils, pens, rulers and bookmarks provided to members of the public touring the offices of the state or a political subdivision. However, such items distributed on public property shall not expressly advocate the election or defeat of a candidate or the adoption or defeat of a ballot issue as prohibited in Iowa Code section 56.12A. For example, a bookmark bearing the state seal could be distributed on public property, while a bookmark that identified the donor as a candidate for office could not be distributed on public property.

e. Gifts purchased for foreign dignitaries when the officeholder is part of an official trip out of the country such as a trade mission or exchange program.

f. Printing of additional stationery and supplies above the standard allotment of the state or political subdivision.

**4.25(3)** Expenses which may be paid from campaign funds for constituency services include, but are not limited to, the following items:

a. Mailings and newsletters sent to constituents.

b. Polls and surveys conducted to determine constituent opinions.

c. Travel expenses incurred in communicating with members of an elected official's constituency, provided that a detailed trip log which provides dates, miles driven, destination and purpose is maintained, and that reimbursement is paid at an amount not to exceed the current rate of reimbursement allowed under the standard mileage rate for computations of business expenses pursuant to the Internal Revenue Code. However, meal expenses are not allowable as expenses associated with constituency services under any circumstances.

d. Holiday and other greeting cards sent to constituents.

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This rule is intended to implement Iowa Code sections 56.40, 56.41, and 56.42.

**351—4.26(56,68B) Transfers between candidates.** Transfers of assets from one candidate's committee to another are not construed to be a violation of Iowa Code section 56.42 so long as the recipient candidate's committee pays the transferring committee the fair market value of the asset. Both candidates' committees shall be prepared to support the valuation of the asset with documentation.

This rule is intended to implement Iowa Code sections 56.6 and 56.42.

**351—4.27(56,68B) Transfers of funds and debts between multiple committees of the same candidate.** A candidate's committee is allowed to transfer its debts to another committee formed by the same candidate. The recipient committee is required to disclose the names and addresses of the creditors to whom such obligations are owed, as well as the amounts of the debts or loans, the dates they were incurred, and the nature of the obligations, as required by Iowa Code section 56.6(3).

This rule is intended to implement Iowa Code sections 56.6, 56.40 and 56.42.

**351—4.28** Reserved.

**351—4.29(56,68B) Contributions by minors.** Persons under 18 years of age may make contributions to a candidate or political committee if all of the following conditions exist:

1. The decision to contribute is made knowingly and voluntarily by the minor;
2. The funds, goods, or services contributed are owned or controlled exclusively by the minor, such as income earned by the minor, the proceeds of a trust for which the minor is the beneficiary, or a savings account opened and maintained exclusively in the minor's name; and
3. The contribution is not made from the proceeds of a gift, the purpose of which was to provide funds to be contributed, or is not in any other way controlled by another person.

This rule is intended to implement Iowa Code section 56.13.

**351—4.30(56,68B) Funds from unknown source prohibited; subsequent identification of source; notice to contributors.**

**4.30(1)** Anonymous contributions in excess of \$10 prohibited. No person shall make a contribution in excess of \$10 to a committee without providing the person's name and address to the committee. The committee shall not maintain in any campaign account funds in excess of \$10 that cannot be accounted for and reconciled with the committee's disclosure reports.

**4.30(2)** Escheat to the state. Any contribution in excess of \$10 from an unknown source or campaign funds in excess of \$10 that cannot be accounted for and reconciled shall escheat to the state of Iowa as required by Iowa Code section 56.3A. A committee required to escheat shall escheat such funds by depositing the funds into the committee's campaign account and issuing a committee check to the general fund in the same amount. The committee check shall be sent to the board office at 514 E. Locust, Suite 104, Des Moines, Iowa 50309, for transmittal to the director of revenue and finance.

**4.30(3)** Subsequent identification of source. A committee discovering the source of any funds that have been escheated to the state may make an application to the board for a return of the funds if the following requirements are met:

- a. The committee has not dissolved;
- b. Documentation of the name and address of the source is provided;

c. The amount requested to be returned is in excess of \$100; and

d. The application is made within 90 days of the date of the deposit in the general fund of the state of Iowa.

**4.30(4)** Notice at fund-raising event. Pursuant to Iowa Code section 56.3A, a person requested to make a contribution at a fund-raising event shall be advised that it is illegal to make a contribution in excess of \$10 unless the person making the contribution also provides the person's name and address. Notice of the requirement to provide a person's name and address for a contribution in excess of \$10 may be made orally or in a written statement that is displayed at the fund-raising event.

This rule is intended to implement Iowa Code section 56.3A.

**351—4.31(56,68B) Information required for trusts to avoid a contribution in the name of another person.** A contribution or expenditure by a trustee solely in the name of the trust constitutes a contribution or expenditure in the name of another person, prohibited under Iowa Code section 56.3A. In order to avoid violation of Iowa Code section 56.3A, contributions or expenditures involving a trust shall be reported on disclosure reports filed pursuant to Iowa Code chapter 56 as follows:

**4.31(1)** If a transaction involves a trust identified as a revocable trust or a living trust for which no separate trust tax return is required and for which the federal tax ID number is the same as the social security number of the grantor creating the trust, who is also a trustee, then the transaction may be reported simply as being made by the "(name) revocable (or living) trust." The committee reporting the transaction is responsible for verifying whether the trust in question satisfies this criterion, but if the committee reports the transaction as provided in this subrule, it is presumed that the committee has verified the trust status.

**4.31(2)** For transactions involving trusts which do not qualify under subrule 4.31(1), the disclosure report shall identify the trust, the trustee, and the trustor in all places where "name" is required to be provided under Iowa Code section 56.6(3). If a candidate's committee or political committee accepts a contribution from a trust, it shall also obtain and file with the report on which the trust contribution is disclosed a signed statement from the trustee. The statement shall be in substantially the following form: "This contribution is from the (name) trust, (street, city, state, ZIP code), which is a trust with its own separate tax ID number. The name of the trustee is (name), and the name of the trustor is (name). The terms of this trust permit it to make political contributions to candidates and other political committees."

**4.31(3)** A trust engaging in activity that would qualify it as a political committee by exceeding the financial reporting threshold in Iowa Code section 56.2(18) shall organize a committee and shall file disclosure reports in accordance with Iowa Code chapter 56.

This rule is intended to implement Iowa Code section 56.3A.

**351—4.32(56,68B) Contributions from political committees not organized in Iowa.** Iowa committees may receive contributions from committees outside Iowa, and committees outside Iowa may contribute to Iowa committees provided one of the specified procedures is followed:

**4.32(1)** Out-of-state committees may choose to comply with regular Iowa disclosure filing requirements in Iowa Code sections 56.5 and 56.6 by filing a statement of organization and periodic disclosure reports.

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**4.32(2)** In lieu of filing a statement of organization and regular disclosure reports as required by Iowa Code sections 56.5 and 56.6, the out-of-state committee shall send a verified statement registration form (VSR) with the contribution and shall also file a copy with the board. The VSR forms may be obtained from the board. The VSR shall include:

- a. The complete name, address and telephone number of the out-of-state committee;
- b. The name, address and telephone number of the out-of-state committee treasurer and other officers;
- c. The state or federal disclosure agency or jurisdiction under which the out-of-state committee is registered or operates;
- d. All parent entities or other affiliates or sponsors of the out-of-state committee;
- e. The purpose of the out-of-state committee;
- f. The name, address and telephone number of an Iowa resident authorized to receive service on behalf of the out-of-state committee;
- g. The name and address of the Iowa recipient committee;
- h. The date and amount of the contribution, including description if the contribution is in kind; and
- i. An attested statement that the jurisdiction under which the out-of-state committee is registered or operates has reporting requirements that are substantially similar to those of Iowa Code chapter 56 and that the contribution is made from an account that does not accept contributions prohibited by Iowa Code section 56.15.

The VSR shall be signed by the treasurer or chairperson or filed electronically as provided by the board. The VSR shall be filed with the board on or before the fifteenth day after the date of the contribution or mailed bearing a United States Postal Service postmark dated on or before the fifteenth day after the date of the contribution. For purposes of this subrule, "date of the contribution" means the day, month, and year the contribution check is dated. If the board deems it necessary, a copy of any check may be required to be filed with the board. When a copy of a check is required to be filed with the board, the copy shall be filed within ten days after notice by the board.

The board shall make available to the appropriate county commissioner of elections a copy of any VSR filed on behalf of a county or local committee.

A properly completed VSR shall relieve an out-of-state committee from other disclosure filing requirements of Iowa Code chapter 56.

**4.32(3)** An out-of-state committee determining that the jurisdiction under which the committee is registered or operates does not have reporting requirements substantially similar to those of Iowa Code chapter 56 may choose to comply by enhancing the committee's filing in the other jurisdiction. The enhanced filing shall meet the reporting requirements of Iowa Code chapter 56 for the reporting period that contributions to an Iowa committee are made. The report shall cover a period of at least one month. An out-of-state committee choosing this option shall comply with the VSR procedures in subrule 4.32(2) and attach a signed statement that the report has been or will be enhanced to satisfy the Iowa reporting requirements.

This rule is intended to implement Iowa Code section 56.5(5).

**351—4.33(56,68B) Reporting of earmarked contributions.** A political committee is permitted to receive contributions from its contributors which are earmarked to be donated to a specific candidate's committee or another political com-

mittee. A political committee receiving and transmitting earmarked contributions is required to list on its disclosure report the name of the contributor and the name of the candidate or committee for which the contribution was earmarked. The political committee is further required to inform the treasurer of the recipient committee in writing the name of the individual contributor, as well as the name of the committee which has collected the contribution. The committee receiving the earmarked contribution is required to disclose on its report both the name of the individual contributor and the sponsoring committee.

This rule is intended to implement Iowa Code section 56.6.

**351—4.34(56) Request for inactive status by county central committees—procedure.**

**4.34(1)** Request for inactive status. If a county central committee of any political party temporarily disbands because it has no officers and has ceased to function, the committee may file a request for inactive status with the board. A committee has ceased to function when it holds no administrative, organizational, or candidate meetings or fundraisers and when it has made no expenditures for a period of three months. The request must be in writing and filed by the former chairperson or treasurer of the committee. The request shall include a certification by the appropriate state party pursuant to subrule 4.34(2). Once the board grants inactive status, the requirement to file campaign disclosure reports will be waived.

**4.34(2)** Certification by state party. A request for inactive status shall include a written certification by an officer of the respective state party. The certification shall state the date of the central committee's last meeting or function, the date of its last financial transaction, the name and address of the financial institution in which the central committee's funds are on deposit, and the fund balance.

**4.34(3)** Return to active status. In order for a county central committee to return to active status, the committee shall file an amended statement of organization disclosing the information required by Iowa Code section 56.5. The committee shall also verify the fund balance. Campaign disclosure reports will be due on the next report due date following return to active status and for each reporting period thereafter.

**4.34(4)** Political organizations granted party status. A political organization that is certified as a political party by meeting the requirements of Iowa Code section 43.2 shall provide the board with the name of any county that will not be organizing a county central committee. A county subsequently organizing a county central committee may do so by filing a statement of organization pursuant to Iowa Code section 56.5.

**4.34(5)** Loss of party status. The board shall automatically classify as a political committee (PAC) any political organization that loses its status as a political party by failing to meet the requirements of Iowa Code section 43.2. The board shall automatically classify as a political committee (PAC) any county central committee that operated under the former political party. A political committee that no longer desires to be active is not eligible to apply for inactive status, but may dissolve by complying with the requirements of Iowa Code section 56.6(5) and rule 351—4.54(56,68B).

**4.34(6)** Failure to comply. A person violating the provisions of this rule may be subject to disciplinary action by the board, including the assessment of civil penalties for not filing reports or for late filing of reports.

This rule is intended to implement Iowa Code section 56.6(5).

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**351—4.35(56,68B) Permanent organizations which become temporary political committees.** When a permanent organization which is not a political committee engages in political activities by accepting contributions, making expenditures or incurring debts in the aggregate of more than \$750 in a calendar year, the organization is required to file a statement of organization and one or more disclosure reports. Covered activities include direct and indirect contributions, in-kind contributions and independent expenditures. If the committee uses only existing funds and does not accept money from other sources, no separate banking account is required.

If the board staff discovers that a permanent organization has become subject to the provisions of Iowa Code chapter 56 by virtue of having made a contribution of more than \$750 for a political purpose but did not timely organize a committee or file one or more disclosure reports, the board staff will send notification of the organizational and reporting requirements of Iowa Code chapter 56, as well as notice of routine penalty assessments for apparent late reporting violations. However, a committee which receives a contribution from a permanent organization which causes the permanent organization to become subject to the provisions of Iowa Code chapter 56 may assist the permanent organization in meeting the requirements of the law or may refund all or part of a contribution to the permanent organization so as to reduce the expenditure by the permanent organization to \$750 or less, thereby removing the organization's obligations under Iowa Code chapter 56.

This rule is intended to implement Iowa Code sections 56.2(15) and 56.6(6).

**351—4.36(56,68B) Cash transactions.** All disbursements, including all expenditures and any other withdrawals from committee funds, shall be by check. Cash withdrawals and "petty cash" accounts are not permitted. If a committee fundraising activity necessitates a cash drawer for making change or other cash transactions, the committee may issue a check payable to the committee treasurer or the candidate, in the case of a candidate's committee, or payable to the committee treasurer or the committee chairperson, in the case of a political committee. The purpose of the expenditure shall be reported on Schedule B as "cash advance for (describe activity, e.g., concession stand cash drawer)." Upon completion of the fund-raising activity, the committee shall redeposit the same amount as that which was advanced into the committee account. The redeposit shall be reported as a reverse entry on Schedule B as a "redeposit of cash advance for (describe activity)." The proceeds of the fund-raising activity (excluding the cash advance) shall be reported on Schedule A - Contributions Received.

This rule is intended to implement Iowa Code sections 56.3 and 56.6.

**351—4.37(56,68B) Record keeping.**

**4.37(1)** Copies of reports. A committee shall preserve a copy of every report it files for at least three years following the filing of the report.

**4.37(2)** Supporting documentation. The documentation which supports a committee's disclosure report shall be preserved by the committee for at least five years after the due date of the report that covers the activity documented in the records; however, a committee is not required to preserve these records for more than three years from the certified date of dissolution of the committee. At a minimum, the supporting documentation shall consist of all of the following:

a. A ledger or similar record-keeping device which details all contributions received by the committee. This record shall include the name and address of each person making a contribution in excess of \$10, with the date and amount of the contribution. In lieu of or in addition to a ledger, the committee may record contributions received through a receipt book or other method of individually documenting the contributions, such as by making and keeping copies of the contribution checks.

b. The check register for the committee's account(s).

c. Bank statements for the committee's account(s).

d. Copies of canceled or duplicate checks for committee expenditures, if available.

e. Copies of bills or receipts for committee expenditures.

f. For committees which pay reimbursement for committee-related mileage, copies of vehicle mileage logs, including travel dates, distance driven, and travel purpose (description of event or activity). For a candidate's committee which leases a vehicle, the mileage log shall detail all mileage driven on the vehicle, including non-committee-related mileage.

This rule is intended to implement Iowa Code sections 56.3, 56.6, 56.7, 56.41, and 68B.32A.

DIVISION III

POLITICAL MATERIAL—ATTRIBUTION STATEMENTS

**351—4.38(56,68B) Political attribution or disclaimer statements—contents.** Political advertising or other published material which expressly advocates for a political purpose shall contain a statement identifying its sponsor. This statement is referred to as the "attribution statement," or the "disclaimer statement." "Express advocacy" is as defined in subrule 4.53(1).

**4.38(1)** Short form statement. If the advertisement or other material is paid for by the candidate or candidate's committee that has filed a statement of organization under Iowa Code chapter 56, and the specific name and address are available to the public, the statement will be acceptable if it contains the words, "Paid for by the Candidate", "Paid for by (candidate's name), Candidate" or "Paid for by the Candidate's Committee", whichever is applicable. If the advertisement or other material is paid for by a political committee that has filed a statement of organization under Iowa Code chapter 56, and the specific name and address are available to the public, the statement will be acceptable if it contains the words, "Paid for by the (name of the committee)".

**4.38(2)** Full form statement—individual. If the advertising or material is paid for by an individual acting independently, and the individual has exceeded \$750 in expenditures (other than contributions) for the political purpose advocated by the advertising or material, the statement shall contain the words "Paid for by" followed by the full name and complete address (street or box number/city/state/ZIP code) of the person. The full name and address shall be included in this statement even if the name and address of the person appear elsewhere on the advertising or material.

**4.38(3)** Full form statement—candidate who spends less than \$750. Advertising or material paid for by a candidate who has not organized a committee because the candidate has raised or spent less than \$750 in advocacy of the candidacy shall contain the same information as required for an individual under subrule 4.38(2). In addition, after the full name, the candidate may choose to include words identifying that this is the candidate, such as "first name, last name, Candidate."

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**4.38(4)** Full form statement—corporation involved in a ballot issue election. If the advertising or other material is paid for by a corporation involved in a ballot issue, but the corporation has not organized a committee because it has not exceeded \$750 in activity with regard to the ballot issue, the statement shall contain the full name and address of the corporation, as well as the name and office designation of one officer of the corporation.

**4.38(5)** Full form statement with additional language requirement for organizations other than corporations and registered committees. If the advertising or other material is paid for by an informal association or organization of persons which has not organized a committee because it has not exceeded \$750 for a political purpose, but which is not a corporation, the statement shall contain the full name and address of the association or organization, the name and office designation of one officer of the association or organization, and the statement, “This association (or organization) is not incorporated and is not a registered committee.” In the alternative, an association or group may use the statement method provided in subrule 4.38(6).

**4.38(6)** Short form statement for multiple sponsors with addresses on file. If the published material contains the names of more than one individual who has contributed to its cost, the addresses of the individuals need not be included if the following or a substantially similar statement appears: “This published material has been paid for by the above-named individuals whose addresses are on file with the Iowa ethics and campaign disclosure board.” The list shall be provided to the board and made available for public inspection.

**4.38(7)** Pooled efforts; authorized activity. If the advertising or other material is not wholly paid for by any one person or entity, but is an authorized activity by a committee, the attribution statement shall include an accurate description of the transaction. For example, if a political committee coordinated and provided the labor for providing a mass mailing, but a candidate’s committee paid for the postage, the statement may indicate, “Paid for by (the candidate’s committee), with labor provided by (the political committee).” Likewise, if a committee coordinates the activities of individual volunteers who participate in a committee-authorized distribution of advertising or other material, the statement may indicate, “Paid for by (the name and address of the individual volunteer), Authorized by (the name of the committee).” This attribution style would apply, for example, if the “Citizens for Smith” committee requests and coordinates the efforts of ten supporters to each write and send a personalized invitation to a committee fund-raising event.

**4.38(8)** Thank-you ads excluded. Postelection thank-you ads are not express advocacy and therefore not political advertising requiring inclusion of an attribution statement.

This rule is intended to implement Iowa Code section 56.14.

**351—4.39(56,68B) Yard signs and outdoor advertising.** “Yard signs,” which are exempt from the attribution statement requirement, means a political sign with dimensions of 16 square feet or less which has been placed or posted on real property. “Outdoor advertising,” which requires the attribution statement, means any political sign other than yard signs including, but not limited to: wood, metal, plastic or other hardboard signs affixed to the side of a building or painted directly on the side of the building; signs placed on the top of a car, truck or other vehicle; signs painted or affixed to the side of a vehicle; any advertisement printed, painted or otherwise displayed on a portable sign carrier; or magnetic signs temporarily placed on vehicles or structures.

This rule is intended to implement Iowa Code section 56.14.

**351—4.40(56,68B) Newspaper or magazine.** For the purposes of these rules and Iowa Code section 56.14, “newspaper or magazine” means a regularly scheduled publication of news, articles of opinion, and features available to the general public which does not require membership in or employment by a specific organization.

This rule is intended to implement Iowa Code section 56.14.

**351—4.41(56,68B) Political advertising disclaimers (identification of sponsor).** If published material subject to the disclaimer requirements of Iowa Code section 56.14 consists of more than one page, the disclaimer need only appear on one page of the published material, so long as its placement is conspicuous.

In determining the requirements for identification of the sponsor of political advertising, the final location of the advertising shall be considered.

This rule is intended to implement Iowa Code section 56.14.

**351—4.42(56,68B) Specific items exempted from or subject to attribution statement requirement.**

**4.42(1)** Items exempted from requirement. The statute specifically excludes yard signs, matchbooks, bumper stickers, pins, buttons, pens, and “similar small items upon which the inclusion of the attribution statement would be impracticable.” This is interpreted to include pencils, emery boards, T-shirts, caps, and other articles of clothing where printing an attribution statement would greatly increase the cost of the item.

**4.42(2)** Items subject to requirement. In addition to those items specified by Iowa Code section 56.14(1)“b,” the requirement for an attribution statement is interpreted to apply to scratch pads and postcards because inclusion of the statement is not impracticable when other text is being printed, and the cost is not significantly increased by printing it.

This rule is intended to implement Iowa Code section 56.14.

**351—4.43(56,68B) Apparent violations; remedial actions.**

**4.43(1)** If advertising or other published material which appears to omit an attribution statement as required by Iowa Code section 56.14 and these rules is provided to the board, the board may contact third parties, including newspapers and printers, in an effort to determine the identity of the responsible party.

**4.43(2)** If advertising or other published material was initially distributed without the required attribution statement, a potential remedial measure which may be directed by the board in an effort to achieve informal resolution shall be republication or distribution of a notice to the same or substantially the same portion of the public which was exposed to the initial advertisement or publication. The notice shall be in substantially the following form: “On (date), (I/we) (ran an advertisement/distributed a brochure/sent a mailing) (describe political activity advocated, e.g., asking for your contribution to my campaign, asking you to vote against the ballot issue). That (ad/brochure/ mailing) failed to contain an attribution statement as required by Iowa Code section 56.14, necessary to provide notice as to who had paid for the material. It was in fact paid for by (name). Paid for by (detail of attribution in conformity with rule 4.38(56,68B)).”

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

If the notice is run in a newspaper, the newspaper shall be of sufficiently wide circulation to reach virtually all members of the public originally exposed to the initial advertisement or publication. The notice shall also be in a section of the newspaper other than the classified section, be at least one column wide, and have a black border surrounding the ad.

This rule is intended to implement Iowa Code section 56.14.

DIVISION IV  
CORPORATE POLITICAL ACTIVITY

**351—4.44(56,68B) Use of corporate property prohibited.**

It is unlawful for a candidate's committee or other political committee to use any property of a corporate entity, and it is unlawful for a corporate entity to knowingly permit the use of its property by a candidate's committee or other political committee. "Corporate entity" as used in these rules means any profit or nonprofit corporation, and includes, but is not limited to, farm corporations, professional corporations (P.C.s), banks, savings and loan institutions, credit unions and insurance companies. For the purpose of these rules, the prohibited use of the property of a corporate entity shall include, but not be limited to, the following:

**4.44(1)** The physical placement of signs, billboards, posters, bumper stickers, brochures or other political advertising on corporate personal and real property, including the interior and exterior of buildings and motor vehicles. However, these rules are not intended to prohibit the use by a political committee or a candidate's committee of an area commonly available to any member of the general public for other purposes.

**4.44(2)** The placement of a yard sign on the lawn or grounds of property owned by a corporate entity, unless the property is rented or leased to an individual for residential purposes, or unless the property is agricultural land owned by a family farm corporation.

**4.44(3)** The use of motor vehicles, telephone equipment, long-distance lines, computers, typewriters, office space, duplicating equipment and supplies, stationery, envelopes, labels, postage, postage meters or communication systems of corporate entities.

**4.44(4)** The use of corporate entity facilities, premises, recreational facilities and housing that are not ordinarily available to the general public.

**4.44(5)** The furnishing of beverages and other refreshments that are not ordinarily available to the general public.

**4.44(6)** The contributing of money of the corporate entity.

**4.44(7)** Any other transaction conducted between a corporation and a candidate's committee or political committee is presumed to be a corporate contribution unless the candidate's committee or political committee establishes to the contrary.

This rule is intended to implement Iowa Code section 56.15.

**351—4.45(56,68B) Corporate-sponsored political committee.** These rules do not prevent a corporate entity from soliciting eligible members to join or contribute to its own corporate-sponsored political committee (PAC), so long as the corporate entity adheres to the provisions of Iowa Code section 56.15.

This rule is intended to implement Iowa Code section 56.15.

**351—4.46(56,68B) Voter education.** These rules do not prevent a corporate entity from providing or publicizing voter

registration procedures, election day information, voting procedures or other voter education information, so long as the information provided does not expressly advocate the election or defeat of a clearly identified candidate.

This rule is intended to implement Iowa Code section 56.15.

**351—4.47(56,68B) Permitted activity—reimbursement required.** The prohibitions against certain transactions between corporate entities and candidates or committees expressly advocating the election or defeat of candidates contained in Iowa Code section 56.15 and in rule 4.44(56,68B) are not construed to prohibit activity that occurs consistent with this rule.

**4.47(1)** Purchase or rental of office facility. A candidate's committee or any other committee that expressly advocates the election or defeat of a candidate may purchase or rent property belonging to a corporate entity, so long as the purchase or rental is at fair market value. For the purpose of this subrule, "fair market value" means the amount that a member of the general public would expect to pay to purchase or rent a similar property within the community in which the property is located.

**4.47(2)** Use of corporate facilities to produce or mail materials. Any person who uses the facilities of a corporate entity to produce or mail materials in connection with a candidate election is required to reimburse the corporate entity within a commercially reasonable time for the normal and usual charge for producing or mailing such materials in the commercial market. For example, if it would otherwise cost 10 cents per page to have a brochure copied at a commercial printer, the corporate entity must be reimbursed at 10 cents per page even if the overhead and operating cost was only 5 cents per page. Likewise, the corporate entity must be reimbursed at the first-class mail rate even if the direct cost to the corporate entity is less through the use of its bulk mail permit. This subrule does not affect the ability of a commercial vendor to charge an amount for postage which is less than for first-class mail where the reduced or bulk mail charge is available to all similarly situated customers without respect to the political identity of the customer.

**4.47(3)** Use or rental of corporate facilities by other persons. Persons other than stockholders, administrative officers or employees of a corporate entity who make any use of corporate facilities, such as using telephones, facsimile machines, typewriters or computers or borrowing office furniture for activity in connection with a candidate election, are required to reimburse the corporate entity within a commercially reasonable time in the amount of the normal and usual rental charge. If one or more telephones of a corporate entity are used as a telephone bank, a rebuttable presumption is established that \$3 per telephone per hour, plus any actual long distance charges, is acceptable as a normal and usual rental charge.

**4.47(4)** Use of airplanes and other means of transportation.

a. Air travel. A candidate, candidate's agent, or person traveling on behalf of a candidate who uses noncommercial air transportation made available by a corporate entity shall, in advance, reimburse the corporate entity as follows:

(1) Where the destination is served by regularly scheduled commercial service, the coach class airfare (without discounts).

(2) Where the destination is not served by a regularly scheduled commercial service, the usual charter rate.

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

b. Other transportation. A candidate, candidate's agent, or person traveling on behalf of a candidate who uses other means of transportation made available by a corporate entity shall, within a commercially reasonable time, reimburse the corporate entity at the normal and usual rental charge.

**4.47(5)** Equal access not required. For the purpose of this rule, it is not necessary that the corporate entity be in the business of selling or renting the property, good or service to the general public; further, it is not necessary that the corporate entity provide access to the same property, good or service to other candidates or committees.

**4.47(6)** Commercially reasonable time. For the purpose of this rule, a rebuttable presumption is established that reimbursement to the corporate entity within ten business days is acceptable as within a commercially reasonable time.

This rule is intended to implement Iowa Code section 56.15.

**351—4.48(56,68B) Use of corporate facilities for individual volunteer activity by stockholders, administrative officers and employees.** Stockholders, administrative officers and employees of a corporate entity may, subject to the rules and practices of the entity, make occasional, isolated, or incidental use of the facilities of a corporate entity for individual volunteer activity in connection with a candidate election and will be required to reimburse the corporate entity only to the extent that the overhead or operating costs of the corporate entity are increased; however, the name or identity of the corporate entity shall not be utilized by the stockholder, administrative officer or employee for the direct or indirect purpose of influencing an election of a candidate. Reimbursement for increased overhead or operating costs shall be made within a commercially reasonable time as defined in subrule 4.47(6).

As used in this rule, "occasional, isolated, or incidental use" generally means:

1. When used by administrative officers or employees during working hours, an amount of activity during any particular work period which does not prevent the administrative officer or employee from completing the normal amount of work which that administrative officer or employee usually carries out during such work period; or

2. When used by stockholders other than administrative officers or employees during the work period, such use does not interfere with the corporation in carrying out its normal activities; but

3. Any such activity which does not exceed one hour per week or four hours per month, regardless of whether the activity is undertaken during or after normal working hours, shall be considered as occasional, isolated, or incidental use of the corporate facilities.

This rule is intended to implement Iowa Code section 56.15.

**351—4.49(56,68B) Individual property.** These rules do not apply to the personal or real property of corporate officers or of individuals employed or associated with a corporate entity and shall not abridge the free-speech rights and privileges of individuals.

This rule is intended to implement Iowa Code section 56.15.

**351—4.50(56,68B) Political corporations.** The prohibitions applicable to corporate entities shall not apply to political corporations based on the following factors:

1. The corporation was organized solely for political purposes and engages in minor business activities that generate minimal income and are incidental to its political purposes.

2. The corporation is not sponsored by a business corporation or labor union and has a policy of accepting only an insignificant and insubstantial amount of contributions from business corporations or labor unions.

3. The corporation has no shareholders or others that have claims on its assets or earnings.

A corporate entity may apply for status as a political corporation under Iowa Code chapter 56 by submitting a letter signed by a corporate officer which affirms the above factors and provides other pertinent details of the corporation's activities. A letter of approval or denial from the board will be provided to the corporation. The acceptance of contributions from a corporation seeking status as a political corporation is subject to the letter of approval and, if approval is not granted, any corporate contributions received shall be refunded by the candidates' committees or other political committees.

This rule is intended to implement Iowa Code section 56.15.

**351—4.51(56,68B) Political corporations required to file disclosure reports.** A corporation that has been granted status as a political corporation pursuant to rule 351—4.50(56,68B) and that exceeds the financial filing threshold shall register a political committee and shall file disclosure reports. A political corporation not domiciled in Iowa may file verified statement of registration forms pursuant to Iowa Code section 56.5(5) and rule 351—4.32(56,68B).

This rule is intended to implement Iowa Code sections 56.5(5), 56.6, and 56.15.

**351—4.52(56,68B) Corporate involvement with political committee funds.**

**4.52(1)** Corporate payroll deductions. For purposes of interpretation of Iowa Code section 56.15, the administrative functions performed by a corporation (profit or nonprofit corporation including, but not limited to, a bank, savings and loan institution, credit union or insurance company) to make payroll deductions for an employee organization's political committee and to transmit the deductions in lump sum to the treasurer of the political committee shall not be a prohibited corporate activity so long as the corporate entity is serving only as a conduit for the contributions.

**4.52(2)** Joint solicitations and electronic transfer deposits. Corporate sponsors of political committees which receive membership dues are permitted to solicit and receive contributions to their political committees (PACs) subject to the following requirements:

a. The corporate sponsor shall initially submit a copy of its joint solicitation form for prior approval of the board. The joint solicitation form shall include a prominent statement that financial participation in the political committee (PAC) is voluntary and not a requirement of membership with the sponsor. The form further shall state that a check containing both membership dues and PAC contributions cannot be written on a corporate account.

b. The corporate sponsor shall resubmit its joint solicitation form each year with its PAC January disclosure report. If changes in the form have been made (other than dates), the form shall not be used until approved.

c. Checks which include both dues and PAC contributions may be deposited in the respective banking accounts by electronic transfer deposit so long as the sponsor maintains no control over the PAC portion of the funds and records of the individual checks received are retained by the sponsor or PAC for a period of three years. These records shall be available to the board upon request.

## ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**4.52(3)** Allowable costs of administration. For the purposes of interpreting Iowa Code section 56.15, subsection 3, which permits an entity otherwise forbidden from contributing to a candidate or a candidate's committee for "financing the administration of a committee sponsored by that entity," the following are considered to be allowable costs of administration:

- a. Full or partial compensation for political committee staff, which may include both wages and benefits.
- b. Expenses of transportation and travel incurred by political committee staff; however, this does not include expenses of transportation or travel if provided by a political committee or a staff member to a candidate, nor does this include expenses of meals or events held on behalf of a candidate.
- c. Printing and office supplies related to routine office administration so long as the printing and supplies are not used to expressly advocate for or against any candidate.
- d. Postage and stationery, including that necessary for mailing contributions to specific candidates. Postage and stationery necessary for distributing political material expressly advocating for or against a specific candidate to persons other than the committee membership are not permitted.
- e. Expenses of maintaining committee records and preparing financial disclosure reports, including costs associated with services provided by an accountant or other professional.
- f. Promotional materials, such as stickers, pens, and coffee cups, so long as the items promote the political committee itself, but not a specific candidate.

An item which is excluded by this subrule from being an allowable cost of administration may still be provided by the committee, so long as that cost is paid for from contributions or other sources of funds other than the parent entity.

This rule is intended to implement Iowa Code section 56.15.

## DIVISION V

## INDEPENDENT EXPENDITURES AND IN-KIND CONTRIBUTIONS

**351—4.53(56,68B) Express advocacy; in-kind contributions; independent expenditures—definitions.** For the purposes of Iowa Code chapter 56, the following definitions apply.

**4.53(1)** Express advocacy. "Express advocacy" means any communication as defined in Iowa Code section 56.2(14). "Express advocacy" includes a communication that uses any word, term, phrase, or symbol that exhorts an individual to vote for or against a clearly identified candidate or for the passage or defeat of a clearly identified ballot issue.

**4.53(2)** In-kind contribution. "In-kind contribution" means the provision of any good or service to a committee without charge or at a charge that is less than the usual and normal charge for such good or service. If a good or service is provided at less than the usual and normal charge, the amount of the in-kind contribution is the difference between the usual and normal charge for the good or service at the time of the contribution and the amount charged the committee. An in-kind contribution also includes any expenditure that meets the definition of a coordinated expenditure in subrule 4.53(4).

**4.53(3)** Independent expenditure. "Independent expenditure" means an expenditure by a person for goods or services, including express advocacy communication, on behalf of a candidate or a ballot issue which is not made with the knowledge and approval of a candidate or a ballot issue committee. "Independent expenditure" does not include incidental ex-

penses (expenses of \$25 or less per incident absorbed by the volunteer which result from or arise out of the volunteer work) incurred by an individual in performing volunteer work.

**4.53(4)** Coordinated expenditure. "Made with the knowledge and approval of a candidate or ballot issue committee" means that there has been arrangement, coordination, or direction by the candidate or an agent or officer of the candidate's committee or a ballot issue committee prior to the procurement or purchase of the good or service, or the publication, distribution, display, or broadcast of an express advocacy communication. This may also be referred to as a "coordinated expenditure." An expenditure will be presumed to be coordinated when it is:

a. Based on information provided to the expending person by the candidate, the candidate's committee, or the ballot issue committee with a view toward having an expenditure made; or

b. Made by or through any person who is or has been authorized to raise or expend funds; who is or has been an officer of the candidate's committee or the ballot issue committee; or who is or has been receiving any form of compensation or reimbursement from the candidate, the candidate's committee, or the ballot issue committee.

This rule is intended to implement Iowa Code section 56.13.

## DIVISION VI

## COMMITTEE DISSOLUTION

**351—4.54(56,68B) Statement of dissolution (DR-3); final report; closing bank statement.**

**4.54(1)** Statement of dissolution; signature. The statement of dissolution (DR-3) shall be filed within 30 days after the committee terminates its activity, disposes of its funds and assets, and has discharged all of its debts and obligations. The statement shall be either typewritten or printed legibly in black ink and shall be signed by the treasurer or candidate in the case of a candidate's committee, or by the treasurer or chairperson in the case of a political committee.

**4.54(2)** Final report. The committee shall file a final report indicating the committee's closing transactions. A committee which submits a report designated as a final report which, when reviewed by the board staff in conjunction with prior committee reports and bank statements, accounts for all committee balances and evidences that all committee funds and assets have been properly distributed and all obligations have been discharged, shall be certified by the board staff as dissolved and its filing obligations shall be terminated. A committee that submits a report designated as a final report which, when reviewed by the board staff, does not account for all previously reported balances and obligations, shall not be certified as dissolved, and its filing obligations shall continue until the inconsistencies are resolved either through amending or supplementing the attempted final report submitted by the committee.

**4.54(3)** Final bank statement. A copy of the committee's final bank statement showing the committee's closing transactions and a zero balance shall be attached to or submitted with the committee's final report. Committees participating in elections at the county, city, school, or other political subdivision level are not required to file a final bank statement unless requested to do so by the board. A committee seeking a waiver from the requirements of this subrule may do so in accordance with 351—Chapter 15.

This rule is intended to implement Iowa Code section 56.6(5).

ETHICS AND CAMPAIGN DISCLOSURE BOARD, IOWA[351](cont'd)

**351—4.55(56,68B) Leftover funds.**

**4.55(1)** A committee may file a Notice of Dissolution when all of its debts and obligations are paid or satisfied, all campaign property is disposed of, and its cash balance is reduced to zero.

**4.55(2)** If a committee owes a debt to a corporate entity which the committee is unable to repay because the corporate entity has disbanded, the record of the debt has been lost or for some other reason the debt remains unpaid, the committee will be considered to have satisfied this obligation if the committee pays an amount equal to the debt owed the corporate entity either to a charitable organization or the state of Iowa general fund and if the committee provides evidence of this payment to the board.

This rule is intended to implement Iowa Code sections 56.6(5), 56.15, and 56.43.

**351—4.56(56,68B) Disposition of property for dissolution of committee.**

**4.56(1)** Manner of disposition—candidates' committees. The final report of a candidate's committee shall include an accounting of the disposition of all campaign property with a residual value of \$100 or more. Disposition may be through a sale of the property at fair market value, with proceeds treated as any other campaign funds, or through donation of the property as set out in Iowa Code section 56.42(1). The committee shall be prepared to provide an explanation or documentation of a fair market value determination.

**4.56(2)** Computer software. Because some computer software cannot be sold or transferred to another entity due to license, copyright or trademark restrictions, the committee may provide a statement signed by the candidate or political committee chairperson that software cannot be transferred and is therefore deemed to have no market value. In the event the committee is able to legally transfer the software, the committee shall establish a fair market value for the transaction and properly report its disposition on the final report.

This rule is intended to implement Iowa Code sections 56.6 and 56.43.

**351—4.57(56,68B) Assumption or settlement of debts and obligations.**

**4.57(1)** Assumption generally allowed, except by corporations. Debts or obligations of a committee may be transferred, assumed, or forgiven by a person other than the committee. The forgiveness of a debt is an in-kind contribution to the committee, except that the person shall not be a corporation unless the committee is a ballot issue committee. When noncorporate transfers, assumptions, or forgiveness of debts or obligations occurs, the committee shall submit a written and signed agreement between the three parties, in the case of a transfer or assumption (the original debtor-committee, the person who is owed the debt, and the new, assuming debtor), or between the two parties, in the case of a debt forgiveness.

**4.57(2)** Settlement of contested debts. If there is a dispute or contest between the committee and a creditor which is a corporation, in order to discharge or settle a committee debt for less than the original amount of the indebtedness, the committee and the creditor shall submit a written statement to the board describing the debt and the controversy. The corporate creditor shall also describe the steps taken to settle or collect the debt in question, as well as describing the steps taken to settle or collect other debts owed to the creditor by other persons in the creditor's ordinary course of business. The board will review these matters on a case-by-case basis in order to determine whether to allow the committee to report the debt as discharged. If there is a dispute or contest between the committee and a creditor that is not a corporation,

the debt may be discharged or settled for less than the original amount of the debt if the committee provides with its disclosure report a written and signed agreement between the two parties describing the debt and the controversy and the resolution or settlement to which the parties have agreed. However, for a committee debt owed to any creditor, whether a corporation or not, a copy of a final court order which establishes as a finding of fact or conclusion of law that the committee has no further liability on the obligation to the creditor shall be dispositive of the issue for purposes of whether the debt can be reported as discharged.

**4.57(3)** Unavailable creditor. If the committee cannot locate a person to whom it owes a debt, the committee shall provide the board with a written statement describing the steps it has taken to locate the creditor and shall request direction from the board as to what additional steps, if any, should be taken. If the debt is owed a corporation, the additional steps may include payment to a charitable entity or the general fund of the state of Iowa as provided in rule 4.55(56,68B).

This rule is intended to implement Iowa Code sections 56.6 and 56.15.

**ARC 2326B**

**INSPECTIONS AND APPEALS  
DEPARTMENT[481]**

**Notice of Termination**

Pursuant to the authority of Iowa Code sections 10A.104(5) and 135B.7, the Department of Inspections and Appeals terminates the rule making initiated by its Notice of Intended Action published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2172B**, amending Chapter 51, "Hospitals," Iowa Administrative Code.

The Notice proposed to amend Chapter 51 by incorporating recent changes made in the federal certification requirements for organ and tissue requests and procurement. The Notice also proposed clarifying rules relating to organ and tissue requests and procurement, determination of death of a donor, determination of medical suitability, informed consent, confidentiality, and the training of hospital personnel.

The Department is terminating the rule making commenced in **ARC 2172B** and will renote amendments that have been reviewed and approved by the Hospital Licensing Board and the State Board of Health.

**ARC 2339B**

**NATURAL RESOURCE  
COMMISSION[571]**

**Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby gives Notice of Intended Action to amend Chapter 52, "Wildlife Refuges," Iowa Administrative Code.

NATURAL RESOURCE COMMISSION[571](cont'd)

This amendment adds the Pool Slough Wildlife Area to the list of wildlife refuges.

Any interested person may make written suggestions or comments on the proposed amendment on or before April 10, 2003. Such written materials should be directed to the Wildlife Bureau Chief, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Wildlife Bureau at (515)281-6156 or the Wildlife Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing on April 10, 2003, at 10 a.m. in the Fourth Floor East Conference Room of the Wallace State Office Building, Des Moines, Iowa, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendment.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

This amendment is intended to implement Iowa Code sections 481A.5, 481A.6, 481A.8 and 481A.39.

The following amendment is proposed.

Amend subrule 52.1(2), paragraph "a," by adding the following new entry in alphabetical order:

<u>Area</u>	<u>County</u>
Pool Slough Wildlife Area . . . . .	Allamakee

**ARC 2346B**

**NATURAL RESOURCE COMMISSION[571]**

**Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code subsections 455A.5(6) and 456A.24(5), the Natural Resource Commission hereby gives Notice of Intended Action to adopt new Chapter 74, "Forest Land Enhancement Program (FLEP)," Iowa Administrative Code.

This new chapter implements a forestry cost-share program known as the Forest Land Enhancement Program (FLEP). The Forest Land Enhancement Program is established to fulfill the provisions of Title VIII, Subtitle A, Section 8002, of the Farm Security and Rural Investment Act of 2002, which amends the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2102). FLEP will provide funding for conservation tree and shrub planting for reforestation, wildlife habitat establishment, forest riparian buffer establishment, timber stand improvement and other forestry enhancement projects on private land. Availability of funds will vary based upon the federal allocation from the USDA Forest Service. Funding is anticipated through 2007. The Department anticipates receiving between \$140,000 and \$200,000 annually for the state of Iowa. It is also anticipated

that additional sources of funding will become available for this program.

Any interested person may make written suggestions or comments on the proposed new chapter on or before March 25, 2003. Such written materials should be directed to John Walkowiak, Bureau Chief, Forestry Bureau, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794 or E-mail at [john.walkowiak@dnr.state.ia.us](mailto:john.walkowiak@dnr.state.ia.us). Persons who wish to convey their views orally should contact the Forestry Bureau at (515)242-5966 or at the Forestry Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing on March 25, 2003, at 1 p.m. in the Fourth Floor East Conference Room of the Wallace State Office Building at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the rules.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

This amendment is intended to implement Iowa Code sections 455A.13(1) and 456A.24(13).

The following new chapter is proposed.

**CHAPTER 74**

**FOREST LAND ENHANCEMENT PROGRAM (FLEP)**

**571—74.1(461A) Purpose.** The purpose of this chapter is to define procedures by which federal, state, or private moneys designated for cost-share forestry practices on private lands may be utilized for that purpose.

**571—74.2(461A) Definitions.**

"Department" means the department of natural resources and its designated representatives.

"FLEP" means the forest land enhancement program.

"Forest stewardship committee" means a committee of individuals from state, federal, county, and private institutions who serve as an advisory board to the department on forest stewardship issues.

"Private lands" means lands not owned by federal, state, county, or local governments.

"Private moneys" means any money from an individual or entity that is not a unit of federal, state, county, or local government.

**571—74.3(461A) Project scope.** This program will provide forestry cost-share assistance to private landowners primarily through the forest land enhancement program (FLEP). The primary source of funding shall be federally allocated funds; however, other public or private funds may be utilized if available. These funds will be used for conservation tree and shrub planting such as reforestation, wildlife habitat establishment, forest riparian buffer establishment, timber stand improvement and other forestry enhancement projects on private lands as approved by the department and the forest stewardship committee.

**571—74.4(461A) Availability of funds.** Funds to institute FLEP landowner cost-share assistance will primarily be derived through federal allocations pursuant to Title VIII, Subtitle A, Section 8002, of the Farm Security and Rural Investment Act of 2002, which amends the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2102). Availability of funds will vary based upon the federal allocation from the USDA Forest Service. Funding through the 2002 Farm Secu-

## NATURAL RESOURCE COMMISSION[571](cont'd)

city and Rural Investment Act should be available through 2007. Allocations from other available public or private sources may be used for the purpose of this program at the discretion of the department.

**74.4(1)** Allotments. Funds available for cost-share assistance shall be dependent upon the allocation designated to the department from the USDA Forest Service.

**74.4(2)** Additional funding. To maximize forestry conservation practices, the department may accept contributions from any governmental or private entity or individual for the purpose of approved cost-share forestry practices on private lands.

**571—74.5(461A) Forest land enhancement program areas.** This rule delineates eligibility and procedures for cost-share assistance for forestry practices.

**74.5(1)** Eligibility. FLEP funds are available statewide except that funds from a specific funding entity may be earmarked for cost-share assistance in a specific geographic region of the state. To be eligible for cost-share assistance, individual landowners must have a forest stewardship plan approved by the department and enter into a written agreement with the department specifying the obligations of each party.

**74.5(2)** Applications. Applications will be accepted only from those eligible as noted above.

a. Applications must be on forms furnished by the department.

b. Applications must be signed by the landowner and by the department.

**74.5(3)** Project review and selection. Project applications will be reviewed separately for each department forestry district. Department district foresters in each district will recommend what projects are approved and the total amount of cost-share funds to be allocated to the landowner. The department will have final approval over projects.

**74.5(4)** Contract agreements. The department is authorized to enter into agreements with landowners to carry out the purposes of this program.

a. Agreement forms will be provided by the department. They shall state the terms of the agreement including, but not limited to, conservation practices to be implemented, total project cost, and cost-share dollars allocated for the specified practices.

b. The approved forest stewardship plan shall be considered a part of the contract.

c. Cost-share assistance will not be provided unless both parties have signed an agreement.

d. Contract periods will not be approved for any period less than ten years in duration.

e. Contracts may be amended by mutual agreement of both parties.

**74.5(5)** Specifications and guidelines. Forestry practices must conform with the department's Forestry Practices Manual: Technical Guide.

**74.5(6)** Cost-share rates. The department, with input from the state forest stewardship committee and in accordance with USDA Forest Service policies, shall set cost-share rates and payment maximums for each authorized forest conservation practice.

**74.5(7)** Reimbursements. Cooperators shall submit billings for reimbursements on forms provided by the department.

a. Billings shall be submitted immediately after project completion and within 18 months of project approval.

b. Billings shall include documentation on all costs incurred for the project.

c. Reimbursements shall not be made unless the landowner has fulfilled obligations as specified in the contract.

d. Billings shall be approved or disapproved by the department's district forester or assistant district forester after inspection of the project.

**571—74.6(461A) Cost reimbursement.** Whenever a landowner has been found to be in violation of a contract specified in this chapter, the department may cancel the contract, and the landowner shall reimburse the department for the full amount of any payments received from FLEP. The requirements and procedures for recovering expended funds in the event of a violation of the contract shall be established in the contract.

These rules are intended to implement Iowa Code subsections 455A.13(1) and 456A.24(13).

**ARC 2340B****NATURAL RESOURCE  
COMMISSION[571]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby gives Notice of Intended Action to amend Chapter 91, “Waterfowl and Coot Hunting Seasons,” Iowa Administrative Code.

These rules give the regulations for hunting waterfowl and coot and include season dates, bag limits, possession limits, shooting hours, and areas open to hunting. Season dates are adjusted annually to comply with federal law and to ensure that seasons open on a weekend.

Any interested person may make written suggestions or comments on the proposed amendments on or before April 10, 2003. Such written materials should be directed to the Wildlife Bureau Chief, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Wildlife Bureau at (515) 281-6156 or at the Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing April 10, 2003, at 10 a.m. in the Fourth Floor East Conference Room of the Wallace State Office Building at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendments.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

These amendments are intended to implement Iowa Code sections 481A.38, 481A.39 and 481A.48.

The following amendments are proposed.

ITEM 1. Amend rule 571—91.1(481A) as follows:

**571—91.1(481A) Ducks (split seasons).** The north duck hunting zone is that part of Iowa north of a line beginning on

## NATURAL RESOURCE COMMISSION[571](cont'd)

the Nebraska-Iowa border at State Highway 175, east to State Highway 37, southeast to U.S. Highway 59, south to I-80 and along I-80 to the Iowa-Illinois border. The south duck hunting zone is the remainder of the state. Open season for hunting ducks shall be September ~~24~~ 20 to September ~~25~~, 2002 22, 2003, and October ~~12~~ 18 to ~~December 5~~, 2002 November 28, 2003, in the north zone; ~~September 21~~ October 4 to ~~September 23~~, 2002 October 6, 2003, and October ~~19~~ 25 to December ~~14~~, 2002 5, 2003, in the south zone. Shooting hours are one-half hour before sunrise to sunset each day. The season for canvasbacks will be closed. The season for pintails will be from September ~~24~~ 20 to September ~~25~~, 2002 22, 2003, and October ~~12~~ 18 to November ~~5~~, 2002 13, 2003, in the north zone; ~~September 21~~ October 4 to ~~September 23~~, 2002 October 6, 2003, and October ~~19~~, 2002 25, 2003, to November ~~14~~, 2002 20, 2003, in the south zone.

**91.1(1)** Bag limit. The daily bag limit of ducks is 6, and may include no more than 4 mallards (no more than ~~2~~ 1 of which may be ~~females~~ female), 1 black duck, 2 wood ducks, 1 pintail, 3 scaup, 3 mottled ducks, and 2 redheads. The daily bag limit of mergansers is 5, only 1 of which may be a hooded merganser.

**91.1(2)** Possession limit. Possession limit is twice the daily bag limit.

ITEM 2. Amend rule 571—91.3(481A) as follows:

**571—91.3(481A) Geese.** The north goose hunting zone is that part of Iowa north of a line beginning on the Nebraska-Iowa border at State Highway 175, east to State Highway 37, southeast to U.S. Highway 59, south to I-80 and along I-80 to the Iowa-Illinois border. The south goose hunting zone is the remainder of the state. The open season for hunting Canada geese, white-fronted geese and brant, collectively referred to as dark geese, is ~~September 28~~ October 4 to December ~~6~~ 12, 2002 2003, in the north goose hunting zone and ~~September 28~~ October 4 to October ~~20~~ 26 and November ~~9~~ 8 to December ~~25~~ 24, 2002 2003, in the south goose hunting zone. The open season for hunting white and blue-phase snow geese and Ross' geese, collectively referred to as light geese, is ~~September 28~~, 2002 October 4, 2003, to January ~~12~~ 18, 2003 2004, statewide. Light geese may also be taken under the conservation order from the U.S. Fish and Wildlife Service from ~~February 1~~, 2003 January 19, 2004, through April 15, 2003 2004. Shooting hours are one-half hour before sunrise to sunset, except that during the conservation order shooting hours will be extended to one-half hour after sunset each day. *The open season for hunting Canada geese only shall be September 1 to September 15, 2003, in certain areas described as follows:*

**91.3(1)** Cedar Rapids/Iowa City goose hunting zone. *The Cedar Rapids/Iowa City goose hunting zone includes portions of Linn and Johnson Counties bounded as follows: Beginning at the intersection of the west border of Linn County and Linn County Road E2W; thence south and east along County Road E2W to Highway 920; thence north along Highway 920 to County Road E16; thence east along County Road E16 to County Road W58; thence south along County Road W58 to County Road E34; thence east along County Road E34 to Highway 13; thence south along Highway 13 to Highway 30; thence east along Highway 30 to Highway 1; thence south along Highway 1 to Morse Road in Johnson County; thence east along Morse Road to Wapsi Avenue; thence south along Wapsi Avenue to Lower West Branch Road; thence west along Lower West Branch Road to Taft Avenue; thence south along Taft Avenue to County Road F62; thence west along County Road F62 to Kansas Avenue; thence north along Kansas Avenue to Black Diamond Road;*

*thence west on Black Diamond Road to Jasper Avenue; thence north along Jasper Avenue to Rohert Road; thence west along Rohert Road to Ivy Avenue; thence north along Ivy Avenue to 340th Street; thence west along 340th Street to Half Moon Avenue; thence north along Half Moon Avenue to Highway 6; thence west along Highway 6 to Echo Avenue; thence north along Echo Avenue to 250th Street; thence east on 250th Street to Green Castle Avenue; thence north along Green Castle Avenue to County Road F12; thence west along County Road F12 to County Road W30; thence north along County Road W30 to Highway 151; thence north along the Linn-Benton County line to the point of beginning.*

**91.3(2)** Des Moines goose hunting zone. *The Des Moines goose hunting zone includes those portions of Polk, Warren, Madison and Dallas Counties bounded as follows: Beginning at the intersection of Northwest 158th Avenue and County Road R38 in Polk County; thence south along R38 to Northwest 142nd Avenue; thence east along Northwest 142nd Avenue to Northeast 126th Avenue; thence east along Northeast 126th Avenue to Northeast 46th Street; thence south along Northeast 46th Street to Highway 931; thence east along Highway 931 to Northeast 80th Street; thence south along Northeast 80th Street to Southeast 6th Avenue; thence west along Southeast 6th Avenue to Highway 65; thence south and west along Highway 65 to Highway 69 in Warren County; thence south along Highway 69 to County Road G24; thence west along County Road G24 to Highway 28; thence southwest along Highway 28 to 43rd Avenue; thence north along 43rd Avenue to Ford Street; thence west along Ford Street to Filmore Street; thence west along Filmore Street to 10th Avenue; thence south along 10th Avenue to 155th Street in Madison County; thence west along 155th Street to Cumming Road; thence north along Cumming Road to Badger Creek Avenue; thence north along Badger Creek Avenue to County Road F90 in Dallas County; thence east along County Road F90 to County Road R22; thence north along County Road R22 to Highway 44; thence east along Highway 44 to County Road R30; thence north along County Road R30 to County Road F31; thence east along County Road F31 to Highway 17; thence north along Highway 17 to Highway 415 in Polk County; thence east along Highway 415 to Northwest 158th Avenue; thence east along Northwest 158th Avenue to the point of beginning.*

**91.3(4)(3)** Bag limit. Daily bag limit is 2 Canada geese, 2 white-fronted geese, 2 brant, and 20 light geese, *except from September 1 to September 15 when the daily bag limit is 3 Canada geese.*

**91.3(4)(4)** Possession limit. Possession limit is twice the daily bag limit and no possession limit on light geese.

ITEM 3. Amend subrule 91.4(1) as follows:

**91.4(1)** Waterfowl and coots. There shall be no open season for ducks, coots and geese on the east and west county road running through sections 21 and 22, township 70 north, range 43 west, Fremont County; three miles of U.S. Highway 30, located on the south section lines of sections 14, 15, and 16, township 78 north, range 45 west, Harrison County; on the county roads immediately adjacent to, or through, Union Slough National Wildlife Refuge, Kossuth County; Louisa County Road X61 from the E-W centerline of section 29, township 74 north, range 2 west, on the south, to the point where it crosses Michael Creek in section 6, township 74 north, range 2 west on the north, and also all roads through or adjacent to sections 7, 18, and 19 of this same township and roads through or adjacent to sections 12 and 13, township 74 north, range 3 west; the levee protecting the Green Island Wildlife Area from the Mississippi River in Jackson County

## NATURAL RESOURCE COMMISSION[571](cont'd)

wherever the levee is on property owned by the United States or the state of Iowa; certain dikes at Otter Creek Marsh, Tama County, where posted as such; and the NE¼, section 23, and the N½, section 24, all in township 70 north, range 19 west, Appanoose County, including county roads immediately adjacent thereto; and all privately owned lands in the S½, section 30, township 71 north, range 20 west, Lucas County, including the county road immediately adjacent thereto; Cerro Gordo County Road S14 and its right-of-way, between its junction with U.S. Highway 18 and County Road B-35, and portions of Clear Lake and Ventura Marsh; where posted as such in Cerro Gordo County; ~~That that~~ portion of Summit Lake located south of State Highway 25 in the west half of the NW¼ of section 2 (22 acres), and the west half of section 3 (100 acres), T72N, R31W in Union County; *and within 300 feet of the center of the Army Road from New Albin to the boat ramp on the Mississippi River in sections 11 and 12, T100N, R4W, and sections 7 and 8, T100N, R3W, as posted.*

ITEM 4. Amend subrule **91.4(2)**, paragraphs “i” and “k,” as follows:

i. Area nine. Portions of Monona and Woodbury Counties bounded as follows: Beginning at the Iowa-Nebraska state line along the Missouri River in Monona County ~~at the southwest corner of the NW¼ of~~ *in section 18 13, township 82 84 north, range 45 47 west; proceeding east approximately 3 miles along 185th Street to Cashew Avenue; thence south along Cashew Avenue to 200th Street; thence east along 200th Street to County Road K42; thence south and east along County Road K42 to Cherry Avenue; thence south along Cherry Avenue to 243rd Street; thence east along 243rd Street to Cypress Avenue; thence south along Cypress Avenue to 245th Street; thence east along 245th Street to Elm Avenue; thence south along Elm Avenue to 250th Street; thence east along 250th Street to Filbert Avenue; thence south along Filbert Avenue to 260th Street; thence east along 260th Street to extending one and one-half miles east along an unnumbered county road to the center of section 17, township 82 north, range 45 west; thence north one mile along county road to the intersection on Monona County Roads Road K45 and E60; thence north and northwest approximately 20 17 miles along Monona County Road K45 to the junction with State Highway 970 in Woodbury County; thence continuing northwest along State Highway 970 (including the right-of-way) (otherwise known as Woodbury County Road K45) approximately 13 8 miles to the intersection with 220th Street Woodbury County Road K25; thence west approximately 3 miles along the Sergeant Bluff Drainage Ditch Woodbury County Road K25 to Port Neal Road; thence continuing on along the same westerly line on the north border of section 6, township 86 north, range 47 west, to the Iowa-Nebraska state line along the Missouri River; thence southerly along the state line approximately 43 17 miles to the point of beginning.*

k. Area eleven. Starting at the junction of the navigation channel of the Mississippi River and the mouth of the Maquoketa River in Jackson County, proceeding southwesterly along the high-water line on the west side of the Maquoketa River to U.S. Highway 52; ~~thence south along U.S. Highway 52 (including the right-of-way) to County Road Z-40; thence south on County Road Z-40 (including the right-of-way) to U.S. Highway 64; thence east on U.S. Highway 64 (including the right-of-way) to 550th Avenue; thence north along 550th Avenue (including the right-of-way) to U.S. Highway 52; thence southeast along U.S. Highway 52 (including the right-of-way) to 607th Avenue; thence east along 607th Avenue (including the right-of-way) to the Sioux Line Railroad;~~

thence north and west along the Sioux Line Railroad to the Green Island levee; thence northeast along a line following the Green Island levee to the center of the navigational channel of the Mississippi River; thence northwest along the center of the navigational channel to the point of beginning.

ITEM 5. Amend rule 571—91.6(481A) as follows:

**571—91.6(481A) Youth waterfowl hunt.** A special youth waterfowl hunt will be held ~~statewide in the north duck hunting zone on October 5 and 6, 2002 11 and 12, 2003, and in the south duck hunting zone on September 27 and 28, 2003.~~ Youth hunters must be 15 years old or younger. Each youth hunter must be accompanied by an adult 18 years old or older. The youth hunter does not need to have a hunting license or stamps. The adult must have a valid hunting license and habitat stamp if normally required to have them to hunt and a state waterfowl stamp. Only the youth hunter may shoot ducks and coots. The adult may hunt for any other game birds for which the season is open. The daily bag and possession limits are the same as for the regular waterfowl season, as defined in subrule 91.1(1). All other hunting regulations in effect for the regular waterfowl season apply to the youth hunt.

**ARC 2344B**

## NATURAL RESOURCE COMMISSION[571]

### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 455A.5, the Natural Resource Commission hereby gives Notice of Intended Action to amend Chapter 99, “Wild Turkey Fall Hunting by Residents,” Iowa Administrative Code.

These amendments change season dates, license quotas, means and method of take and procedures to obtain licenses.

Any interested person may make written suggestions or comments on the proposed amendments prior to April 10, 2003. Such written materials should be directed to the Wildlife Bureau Chief, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Wildlife Bureau at (515)281-6156 or at the Wildlife Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing on April 10, 2003, at 10 a.m. in the Fourth Floor East Conference Room of the Wallace State Office Building, Des Moines, Iowa, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendments.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

These amendments are intended to implement Iowa Code sections 481A.38, 481A.39, 481A.48 and 483A.7.

The following amendments are proposed.

## NATURAL RESOURCE COMMISSION[571](cont'd)

ITEM 1. Amend rule 571—99.2(481A) as follows:

**571—99.2(481A) Licenses.**

**99.2(1)** Paid combination shotgun-or-archery licenses. Paid combination shotgun-or-archery licenses shall be valid for taking turkeys of either sex in the zone designated on the license. Persons obtaining one paid combination shotgun-or-archery license may obtain one additional paid or free combination shotgun-or-archery license following procedures in 99.9(1)<sup>“b”</sup> or one paid or free archery-only license as explained in 99.9(2).

**99.2(2)** Paid archery-only licenses. Paid archery-only licenses shall be valid statewide for taking turkeys of either sex statewide. Persons obtaining one paid archery-only license may obtain one paid combination shotgun-or-archery license following procedures in 99.9(1)<sup>“b”</sup> or one free combination shotgun-or-archery license following procedures in 99.9(2).

**99.2(3)** Free landowner-tenant licenses. Free combination shotgun-or-archery and free archery-only licenses shall be available to eligible landowners and tenants. Free licenses shall be valid for taking turkeys of either sex on the farm unit of the licensee. No one may obtain more than one free license. A person obtaining one free archery-only license may also purchase one paid combination shotgun-or-archery license following procedures in 99.9(1)<sup>“b”</sup>. A person obtaining one free combination shotgun-or-archery license may purchase one paid combination shotgun-or-archery license following procedures in 99.9(1)<sup>“b”</sup> or one paid archery-only license following procedures in 99.9(2).

**99.2(4)** License limits. No one may obtain more than two fall turkey hunting licenses—two combination shotgun-or-archery licenses or one combination shotgun-or-archery license and one archery-only license.

ITEM 2. Amend subrule 99.3(1) as follows:

**99.3(1)** Combination shotgun-or-archery season. The dates for the combination shotgun-or-archery season shall be from the Monday following the second Saturday in October through ~~November 30~~ *the Friday before the first Saturday in December* of the same year.

ITEM 3. Amend subrule 99.5(1) as follows:

**99.5(1)** Combination shotgun-or-archery licenses. A limited number of paid combination shotgun-or-archery licenses will be issued by zone as follows:

- a. Zone 1. 50
- b. Zone 2. 50
- c. Zone 3. 50
- d. Zone 4. ~~2,500~~ 3,500
- e. Zone 5. ~~300~~ 450
- f. Zone 6. 3,000
- g. Zone 7. 200
- h. Zone 8. 75

ITEM 4. Amend subrule 99.5(4) as follows:

**99.5(4)** Additional licenses. Additional combination shotgun-or-archery licenses may be added to zone quotas by ~~September 15~~ if turkey surveys indicate that annual brood production and turkey populations are high enough to warrant additional hunting opportunity. The licenses will be added at the discretion of the natural resource commission upon advice from the ~~fish and wildlife division administrator~~ *bureau*.

ITEM 5. Rescind subrule 99.8(1) and adopt the following **new** subrule in lieu thereof:

**99.8(1)** Permitted weapons.

a. Combination shotgun-or-archery license. Wild turkey may be taken by shotgun or muzzleloading shotgun not smaller than 20-gauge and shooting only shot sizes number 2 or 3 nontoxic shot or number 4, 5, 6, 7½, or 8 lead or nontoxic shot; and by bow and arrow as defined in 571—paragraph 98.2(1)<sup>“b”</sup>. No person may have shotshells containing shot of any size other than number 2 or 3 nontoxic shot or number 4, 5, 6, 7½, or 8 lead or nontoxic shot in that person's possession while hunting wild turkey.

b. Archery-only license. Except for persons with certain afflictions of the upper body who are permitted to use crossbows as provided in 571—15.5(481A), only bows and arrows meeting the following criteria will be permitted for hunting wild turkey:

(1) Only longbows, flat bows, recurve bows, compound bows or any combination of these designs that are hand-held and at least 30 inches long will be permitted. The propulsive energy for launching an arrow must derive solely from the bending and recovery of two limbs of the bow.

(2) The bow must be hand drawn and held at all parts of the drawing cycle by a single, uninterrupted pulling action using only the muscle power of the shooter's body until release. Release of the arrow must be by a conscious action of the shooter, either by relaxing tension of the fingers or triggering a hand-held release aid. No portion of the bow's riser (handle) or any trough, track, channel or other device that attaches directly to the bow's riser shall contact, support or guide the arrow from a point rearward of the bow's brace height.

(3) The following are prohibited: crossbows; any device with a gun-type stock; any device that holds the bowstring at partial or full draw without the shooter's muscle power; any device that derives the energy to propel the arrow from a hydraulic, pneumatic, mechanical or similar device other than the mechanical advantage provided by eccentric wheels or cams where energy to propel the arrow comes from the pulling effort of the shooter.

(4) A hunting arrow must be at least 20 inches in length measured from the point of the broadhead to the rearward tip of the nock, have fletching attached to the aft end and weigh no less than 300 grains. No poison, drug or explosive device shall be attached to the arrow.

(5) A hunting broadhead must possess two or more fixed or movable sharp cutting edges that can be sharpened or replaced, be at least 7/8 inch wide at the widest point of the cutting edges, and weigh at least 70 grains.

(6) Blunthead arrows may also be used if they weigh at least 300 grains, are at least 20 inches in length measured from the point of the blunthead to the rearward tip of the nock, and have a minimum diameter at the head of 9/16 inch.

ITEM 6. Amend rule 571—99.9(481A) as follows:

**571—99.9(481A) Procedures to obtain licenses.** All paid and free resident fall turkey hunting licenses must be obtained using the electronic licensing system for Iowa (ELSI). Licenses may be purchased at ELSI license agents or by calling the ELSI telephone ordering system.

**99.9(1)** Licenses with quotas. All paid turkey hunting licenses for which a quota is established may be obtained from ELSI agents on a first-come, first-served basis beginning ~~the first Saturday in August 15~~ *the first Saturday in August 15* until the quota fills, or through the last day of the hunting period for which the license is valid, ~~or until December 14, whichever occurs first.~~

**99.9(2)** Licenses without quotas. All paid and free turkey hunting licenses that have no quota may be obtained from ELSI agents beginning ~~the first Saturday in August 15~~

NATURAL RESOURCE COMMISSION[571](cont'd)

through the last day of the hunting period for which the license is valid or until December 14, whichever occurs first.

**99.9(3)** No change.

## ARC 2342B

### NATURAL RESOURCE COMMISSION[571]

#### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby gives Notice of Intended Action to amend Chapter 106, "Deer Hunting by Residents," Iowa Administrative Code.

These amendments change rules regarding eligibility for licenses and procedures for obtaining licenses.

Any interested person may make written suggestions or comments on the proposed amendments on or before April 10, 2003. Such written materials should be directed to the Wildlife Bureau Chief, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Bureau at (515)281-6156 or at the Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing on April 10, 2003, at 1 p.m. in the Fourth Floor East Conference Room of the Wallace State Office Building, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendments.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

These amendments are intended to implement Iowa Code sections 481A.38, 481A.39 and 481A.48.

The following amendments are proposed.

ITEM 1. Amend subrule 106.1(5) as follows:

**106.1(5)** Free licenses for landowners and tenants. Free licenses for eligible landowners and tenants shall be available for the youth/disabled hunter season, *bow season*, early or late muzzleloader seasons, or first and second regular gun seasons. These licenses shall be valid for hunting any deer in the season(s) designated on the license and only on the farm unit of the landowner/tenant. For purposes of obtaining a free deer hunting license, all the land under the lawful control of a landowner and eligible family members or a tenant and eligible family members shall be considered as one farm unit, regardless of how that land is subdivided for agricultural or business purposes. A second free license valid for taking only antlerless deer in the special late season may be issued to landowners and tenants who have a portion of their farm unit in a county open during that season. The second free license shall be valid only in that portion of the farm unit located in a county open during the special late season. Landowners and tenants or their eligible family members that receive a free

any deer license may also purchase up to two antlerless-only deer licenses for \$10 each. These antlerless-only licenses shall also be valid only on the farm unit.

ITEM 2. Amend subrule **106.5(2)**, paragraph "a," as follows:

a. Paid antlerless deer licenses for the bow season, second regular gun season and late muzzleloader season shall be valid only for antlerless deer *and shall be available* in all Iowa counties. An antlerless deer is defined as a deer without a visible antler or with no antler longer than 7 inches.

ITEM 3. Amend subrule **106.6(3)**, paragraph "a," as follows:

a. Early muzzleloader season. No more than 7,500 paid statewide licenses will be sold. Fifty additional licenses will be issued through and will be valid only for the Iowa Army Ammunition Plant. No one may purchase more than one paid *any deer* license for the early muzzleloader season. A hunter obtaining a paid *any deer* ~~early muzzleloader season~~ license *for the early muzzleloader season* shall not be eligible to purchase any other statewide *any deer* gun season license or antlerless-only licenses for the second gun or late muzzleloader season. ~~but~~ A hunter may purchase the following additional licenses: a statewide bow license; up to two antlerless-only bow licenses; *one antlerless-only license for the early muzzleloader season* and up to two antlerless-only licenses for the special late season.

ITEM 4. Amend subrule **106.7(1)**, paragraph "b," as follows:

b. The bow must be hand drawn and held at all parts of the drawing cycle by a single, uninterrupted pulling action using only the muscle power of the shooter's body until release. Release of the arrow must be by a conscious action of the shooter, either by relaxing tension of the fingers or triggering a hand-held release aid. No portion of the bow's riser (handle) or any trough, track, channel or other device that attaches directly to the bow's riser shall contact, support or guide the arrow from a point rearward ~~to~~ of the bow's brace height.

ITEM 5. Amend subrules 106.8(1) and 106.8(2) as follows:

**106.8(1)** Licenses with quotas. All paid deer hunting licenses for which a quota is established may be obtained from ELSI agents on a first-come, first-served basis beginning ~~the first Saturday in August 15~~ until the quota fills, or through the last day of the hunting period for which the license is valid, ~~or until December 14th, whichever occurs first.~~

**106.8(2)** Licenses without quotas. All paid and free deer hunting licenses that have no quota may be obtained from ELSI agents beginning ~~the first Saturday in August 15~~ through the last day of the hunting period for which a license is valid ~~or until December 14th, whichever occurs first.~~

ITEM 6. Amend subrule **106.10(1)**, paragraph "b," as follows:

b. Severely disabled hunt. Any severely disabled Iowa resident meeting the requirements of Iowa Code section 321L.1(8) may be issued one *statewide any deer* license to hunt deer during the youth season. A person applying for this license must either possess a disabilities parking permit or provide a completed form from the department of natural resources. The form must be signed by a physician verifying that the person's disability meets the criteria defined in Iowa Code section 321L.1(8). A person between 16 and 65 years of age must also possess a regular hunting license and have paid the habitat fee to obtain a license (if normally required to

## NATURAL RESOURCE COMMISSION[571](cont'd)

have a hunting license and to pay the habitat fee to hunt). A severely disabled person obtaining this license may obtain one additional statewide bow license *and one antlerless-only license for the youth season.*

ITEM 7. Amend subrule 106.10(6) as follows:

**106.10(6)** Procedures for obtaining licenses. Paid and free youth season licenses and licenses for severely disabled hunters may be obtained through ELSI beginning ~~the second Saturday after the close of the initial application period for other deer licenses August 15~~ through the last day of the youth season.

**ARC 2329B****UTILITIES DIVISION[199]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to Iowa Code sections 17A.4, 476.1, 476.8, and 476.41 to 476.45, Section 210 of the Public Utility Regulatory Policies Act of 1978, and 18 CFR Part 292, the Utilities Board (Board) gives notice that on February 12, 2003, the Board issued an order in Docket No. RMU-03-4, In re: Alternate Energy Production, "Order Commencing Rule Making." The Board is proposing revisions to 199 IAC 15 and 199 IAC 20.9(2)"b"(6) in response to Governor Vilsack's Executive Orders 8 and 9 and to simplify and clarify the rules related to alternate energy production.

The Board will not detail here the reasons for proposing the rules because those reasons have been delineated in the Board's order referred to above. This order is available at the Board's Web site, <http://www.state.ia.us/iub>. This order is also available in hard copy for review or purchase at the Board's Records Center, 350 Maple Street, Des Moines, Iowa 50319-0069; telephone (515)281-6240.

Pursuant to Iowa Code sections 17A.4(1)"a" and "b," any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before March 25, 2003, by filing an original and ten copies in a form substantially complying with 199 IAC 2.2(2). All written statements should clearly state the author's name and address and should make specific reference to this docket. All communications should be directed to the Executive Secretary, Utilities Board, 350 Maple Street, Des Moines, Iowa 50319-0069.

A public hearing to receive comments on the proposed amendments will be held at 10 a.m. on May 16, 2003, in the Board's hearing room at the address listed above.

The Board does not find it necessary to propose a separate waiver provision in this rule making. The Board's general waiver provision in 199 IAC 1.3(17A,474,476,78GA, HF2206) is applicable to these rules.

These amendments are intended to implement Iowa Code sections 476.1, 476.8, and 476.41 to 476.45, Section 210 of the Public Utility Regulatory Policies Act of 1978, and 18 CFR Part 292.

The following amendments are proposed.

ITEM 1. Amend rule 199—15.1(476) as follows:

**199—15.1(476) Definitions.** Terms defined in the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 2601, et seq., shall have the same meaning for purposes of these rules as they have under PURPA, unless further defined in this chapter.

"AEP facility" means any of the following: (1) an electric production facility which derives 75 percent or more of its energy input from solar energy, wind, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or wood burning; (2) a hydroelectric facility at a dam; (3) land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion, or operation of the facility; or (4) transmission or distribution facilities necessary to conduct the energy produced by the facility to the purchasing utility.

"Avoided costs" means the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source.

"Back-up power" means electric energy or capacity supplied by an electric utility to qualifying facilities and AEP facilities to replace energy ordinarily generated by a facility's own generation equipment during an unscheduled outage of the facility.

"Board" means the Iowa utilities board.

"Interconnection costs" means the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by the electric utility directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a qualifying facility facilities and AEP facilities, to the extent the costs are in excess of the corresponding costs which the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources. Interconnection costs do not include any costs included in the calculation of avoided costs.

"Interruptible power" means electric energy or capacity supplied by an electric utility subject to interruption by the electric utility under specified conditions.

"Maintenance power" means electric energy or capacity supplied by an electric utility during scheduled outages of the qualifying facility facilities and AEP facilities.

~~"Next generating plant" means the utility's assumed next coal-fired base load electric generating plant, whether currently planned or not, based on current technology and undiscounted current cost.~~

"Purchase" means the purchase of electric energy or capacity or both from a qualifying facility facilities and AEP facilities by an electric utility.

~~"Qualifying alternate energy production facility" means any of the following:~~

~~1. An electric production facility which derives 75 percent or more of its energy input from solar energy, wind, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or wood burning;~~

~~2. Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion, or operation of the facility; or~~

~~3. Transmission or distribution facilities necessary to conduct the energy produced by the facility to the purchasing utility.~~

## UTILITIES DIVISION[199](cont'd)

A facility which is a qualifying facility under 18 CFR Part 292, Subpart B, is not precluded from being an alternate energy production facility.

“Qualifying facility” means a cogeneration facility or a small power production facility which is a qualifying facility under 18 CFR Part 292, Subpart B.

“Qualifying small hydro facility” means any of the following:

1. A hydroelectric facility at a dam;
2. Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion or operation of the facility; or
3. Transmission or distribution facilities necessary to conduct the energy produced by the facility to the purchasing utility.

A facility which is a qualifying facility under 18 CFR Part 292, Subpart B, is not precluded from being a small hydro facility.

“Rate” means any price, rate, charge, or classification made, demanded, observed or received with respect to the sale or purchase of electric energy or capacity, or any rule, regulation, or practice respecting any rate, charge, or classification, and any contract pertaining to the sale or purchase of electric energy or capacity.

“Sale” means the sale of electric energy or capacity or both by an electric utility to a qualifying facility facilities and AEP facilities.

“Supplementary power” means electric energy or capacity supplied by an electric utility, regularly used by a qualifying facility facilities and AEP facilities in addition to that which the facility generates itself.

“System emergency” means a condition on a utility’s system which is likely to result in imminent significant disruption of service to customers or is imminently likely to endanger life or property.

ITEM 2. Amend rule 199—15.2(476) as follows:

**199—15.2(476) Scope.****15.2(1) Applicability.**

a. Subrule 15.2(2) and ~~rules 199—15.3(476) and rule 199—15.10(476)~~ of this chapter apply to all electric utilities, and to all qualifying facilities, ~~all qualifying alternate energy production facilities, and all qualifying small hydro and all AEP facilities.~~

b. ~~Rule 199—15.3(476) of this chapter applies to electric utilities which are subject to rate regulation by the board.~~

~~b c.~~ Rules 199—15.4(476) to 199—15.9(476) of this chapter apply ~~only~~ to the regulation of sales and purchases between qualifying facilities and electric utilities which are subject to rate regulation by the board.

~~c d.~~ ~~Rules Rule 199—15.11(476) to 199—15.16(476)~~ of this chapter ~~lists additional requirements that apply only to the regulation of sales and purchases between qualifying alternate energy production or small hydro AEP facilities, and electric utilities which are subject to rate regulation by the board, pursuant to Iowa Code sections 476.41 to 476.45.~~

**15.2(2) Negotiated rates or terms.** These rules do not:

a. Limit the authority of any electric utility, any qualifying facility, ~~any qualifying alternate energy production facility, or any qualifying small hydro AEP facility~~ to agree to a rate for any purchase, or terms or conditions relating to any purchase, which differ from the rate or terms or conditions which would otherwise be required by these rules; or

b. Affect the validity of any contract entered into between an electric utility and ~~either a qualifying facility, a qualifying alternate energy production facility, or a qualifying small hydro AEP facility,~~ for any purchase.

ITEM 3. Amend rule 199—15.3(476) as follows:

**199—15.3(476) Information to board.** In addition to the information required to be supplied to the board under 18 CFR 292.302, all *rate-regulated* electric utilities shall supply to the board copies of contracts executed for the purchase or sale, for resale, of energy or capacity. If the purchases or sales are made other than pursuant to the terms of a written contract, then information as to the relevant prices and conditions shall be supplied to the board. All information required to be supplied under this rule shall be filed with the board by May 1 and November 1 of each year, for all transactions occurring since the last filing was made.

ITEM 4. Amend rule 199—15.10(476) as follows:

**199—15.10(476) Standards for interconnection, safety, and operating reliability.** For purposes of this rule, “electric utility” or “utility” means both rate-regulated and non-rate-regulated electric utilities.

**15.10(1) Acceptable standards.** Qualifying facilities, ~~qualifying alternate energy production facilities, and qualifying small hydro AEP facilities~~ shall all meet the applicable provisions in the publications listed below in order to be eligible for interconnection to an electric utility system:

- a. General Requirements for Synchronous Machines, ANSI C50.10-1990.
- b. Requirements for Salient Pole Synchronous Generators and Condensers, ANSI C50.12-1982.
- c. Requirements for Cylindrical-Rotor Synchronous Generators, ANSI C50.13-~~1982~~ 1989.
- d. Requirements for Combustion Gas Turbine Driven Cylindrical-Rotor Synchronous Generators, ANSI C50.14-1977.
- e. Iowa Electrical Safety Code, as defined in 199—Chapter 25.
- f. National Electrical Code, ANSI/NFPA 70-2002.

For those facilities which are of such design as to not be subject to the standards noted in “a,” “b,” “c,” and “d,” above, data on the manufacturer, type of device, and output current wave form (at full load) and output voltage wave form (at no load and at full load) shall be submitted to the utility for review and approval prior to interconnection. A copy of the utility decision (whether approving or disapproving), including the data specified above and the exact location of the facility, shall be filed with the board within one week of the date of the decision. The utility decision, or its failure to decide within a reasonable time, may be appealed to the board. The appeal shall be treated as a contested case proceeding.

**15.10(2) Modifications required.** The standards set forth in ANSI C50.10 are modified as follows:

a. Rule 8.1, “Maximum allowable deviation factor,” is modified to read: “The deviation factor of the open-circuit terminal voltage wave and the current wave at all loads shall not exceed 0.1. Deviation factor shall be as defined in ANSI C42.100-1972.”

b. Reserved.

**15.10(3) Interconnection facilities.** Interconnections between qualifying facilities (~~or qualifying alternate energy production facilities, or qualifying small hydro AEP facilities~~) and electric utility systems shall be equipped with devices, as set forth below, to protect either system from abnormalities or component failures that may occur within the facility or the electric utility system. Inclusion of the following protective systems shall be considered as a minimum standard of accepted good practice unless otherwise ordered by the board:

## UTILITIES DIVISION[199](cont'd)

a. The interconnection must be provided with a switch that provides a visible break or opening. The switch must be capable of being padlocked in the open position.

b. The interconnection shall include overcurrent devices on the facility to automatically disconnect the facility at all currents that exceed the full-load current rating of the facility.

c. Facilities with a design capacity of 100 kilowatts or less must be equipped with automatic disconnection upon loss of electric utility-supplied voltage.

d. Those facilities that produce a terminal voltage prior to the closure of the interconnection shall be provided with synchronism-check devices to prevent closure of the interconnection under conditions other than a reasonable degree of synchronization between the voltages on each side of the interconnection switch.

**15.10(4)** Access. Both the operator of the qualifying facility (or ~~qualifying alternate energy production facility, or qualifying small hydro AEP facility~~) and the utility shall have access to the interconnection switch at all times.

**15.10(5)** Inspections. The operator of the qualifying facility (or ~~qualifying alternate energy production facility, or qualifying small hydro AEP facility~~) shall adopt a program of inspection of the generator and its appurtenances and the interconnection facilities in order to determine necessity for replacement and repair. Representatives of the utility shall have access at all reasonable hours to the interconnection equipment specified in subrule 15.10(3) for inspection and testing.

**15.10(6)** Emergency disconnection. In the event that an electric utility or its customers experience problems of a type that could be caused by the presence of alternating currents or voltages with a frequency higher than 60 Hertz, the utility shall be permitted to open and lock the interconnection switch pending a complete investigation of the problem. Where the utility believes the condition creates a hazard to the public or to property, the disconnection may be made without prior notice. However, the utility shall notify the operator of the qualifying facility (or ~~qualifying alternate energy production facility, or qualifying small hydro AEP facility~~) by written notice and, where possible, verbal notice as soon as practicable after the disconnection, and shall notify the electric engineering section of the bureau of rate and safety evaluation of the board by the next working day. If the facility and the utility are unable to agree on conditions for reconnection of the facility, a contested case proceeding to determine the conditions for reconnection may be commenced by the facility or the utility upon filing of a petition.

ITEM 5. Rescind rule 199—15.11(476) and adopt the following new rule in lieu thereof:

**199—15.11(476) Additional rate-regulated utility obligations regarding AEP facilities.** For purposes of this rule, “MW” means megawatt, “MWH” means megawatt-hour, and “utility” means a rate-regulated electric utility.

**15.11(1)** Obligation to purchase from AEP facilities. Each utility shall purchase, pursuant to contract, its share of at least 105 MW of AEP generating capacity and associated energy production. The utility’s share of 105 MW is based on

the utility’s estimated percentage share of Iowa peak demand, which is based on the utility’s highest monthly peak shown in its 1990 FERC Form 1 annual report, and on its related Iowa sales and total company sales and losses shown in its 1990 FERC Form 1 and IE-1 annual reports. Each utility’s share of the 105 MW is determined to be as follows:

	Percentage Share of Iowa Peak	Utility Share of 105 MW
Interstate Power and Light	47.43%	49.8 MW
MidAmerican Energy	52.57%	55.2 MW

A utility is not required to purchase from an AEP facility that is not owned or operated by an individual, firm, co-partnership, corporation, company, association, joint stock association, city, town, or county that meets both of the following: (1) is not primarily engaged in the business of producing or selling electricity, gas, or useful thermal energy other than electricity, gas, or useful thermal energy sold solely from AEP facilities; and (2) does not sell electricity, gas, or useful thermal energy to residential users other than the tenants or the owner or operator of the facility.

**15.11(2)** Purchases pursuant to a legally enforceable obligation. Each AEP facility shall provide electricity on a best-efforts basis pursuant to a legally enforceable obligation for the delivery of electricity over a specified contract term.

**15.11(3)** Annual reporting requirement. Beginning April 1, 2004, each utility shall file an annual report listing MW capacity and associated monthly MWH purchased from AEP facilities, itemized by AEP facility.

**15.11(4)** Tariff filings. The electric utility shall maintain a tariff schedule of standard AEP contract provisions offered. The initial tariffs and subsequent revisions shall be subject to board approval. Provisions of any individual AEP contract which differ from or exceed the utility tariff of standard AEP contract provisions shall also be subject to board approval, unless otherwise agreed upon by the individual AEP and utility.

**15.11(5)** Net metering. Each utility shall offer to operate in parallel through net metering (with a single meter monitoring only the net amount of electricity sold or purchased) with an AEP facility, provided that the facility complies with any applicable standards established in accordance with these rules.

In the alternative, by choice of the facility, the utility and facility shall operate in a purchase and sale arrangement whereby any electricity provided to the utility by the AEP facility is sold to the utility at the fixed or negotiated buy-back rate, and any electricity provided to the AEP facility by the utility is sold to the facility at the tarified rate.

ITEM 6. Rescind and reserve rules **199—15.12(476)** through **199—15.16(476)**.

ITEM 7. Amend subparagraph **20.9(2)“b”(6)** as follows:

(6) Purchases of energy and capacity from ~~qualifying alternate energy production facilities and qualifying small hydro from AEP facilities, at rates required under 199—15.12 15.11(476).~~

## ARC 2341B

HUMAN SERVICES  
DEPARTMENT[441]

## Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code section 217.6, the Department of Human Services amends Chapter 97, "Collection Services Center," Iowa Administrative Code.

These amendments end the current practice of routinely mailing child support payments to custodial parents. The amendments establish two electronic payment methods: through an automated deposit to an obligee's designated account or through a new electronic access card.

Automated deposit into a bank account is an option for custodial parents under existing rules. The new electronic payment method provides an alternative for parents who do not have bank accounts or do not wish to use the existing direct deposit method. The Department will contract with a bank to provide the custodial parent with a brand-name nationally recognized card that looks like a credit card. Support payments processed by the Collection Services Center will be transmitted electronically into a special account in the bank supporting the use of the card, using a process similar to the existing direct deposit process.

The custodial parent may use the card to withdraw cash at automated teller machines or for the receipt of goods, merchandise, or services at "point of sale" terminals. Safety precautions associated with the card will not allow the use of the card as a credit card and will not allow custodial parents to withdraw cash or make a purchase that would cause an overdraft of the support available for their use.

These amendments are a necessary cost-saving measure due to reduced appropriations for state fiscal year 2003 and a postal rate increase that was not anticipated when the budget request was made. These amendments were Adopted and Filed Without Notice and published in the Iowa Administrative Bulletin on September 4, 2002, as **ARC 1948B**. Notice of Intended Action on these amendments was published as **ARC 1949B** in the Iowa Administrative Bulletin on the same date to solicit public comment. The Department held nine public hearings and received two written comments.

Under the Notice of Intended Action, support could be issued through a paper warrant (check) only when neither electronic payment method was feasible within federal time limits for issuing the payment. The Department has made changes in subrules 97.6(2), 97.6(3), and 97.6(5) to allow for more circumstances in which the requirement for electronic issuance may be waived. Under these amendments, a support warrant may be issued when:

- Support is received from a one-time source or a source that is not expected to continue within a 12-month period. In such cases, mailing a paper warrant would be more cost-effective than issuing and maintaining an electronic access card.
- The obligee reports a condition that creates a hardship for the obligee to access benefits paid electronically. Five conditions qualify: physical or mental disabilities and language, literacy, or geographic distance barriers.
- A guardian, conservator, trustee, or other representative payee has the legal right to receive the payment for the obligee.

The Department finds that these amendments confer a benefit on customers by adding additional exemptions from the requirement for payment of support by electronic transfer

so that all persons meeting the criteria can readily access child support funds. Therefore, these amendments are filed pursuant to Iowa Code section 17A.5(2)"b"(2), and the normal effective date of these amendments shall be waived.

The Council on Human Services adopted these amendments on February 12, 2003.

These amendments are intended to implement Iowa Code sections 8.38, 252B.13A, and 252B.15.

These amendments became effective on March 1, 2003, at which time the Adopted and Filed Without Notice amendments were rescinded.

The following amendments are adopted.

ITEM 1. Amend rule 441—97.6(252B), introductory paragraph, as follows:

**441—97.6(252B) Authorization of payment.** The collection services center must authorize the generation of ~~warrants~~ *payments* for support paid. The collection services center shall issue payments as follows:

ITEM 2. Amend subrule 97.6(2) as follows:

**97.6(2) Release of funds.** The following workday ~~a state warrant shall be sent by regular mail to the last known address of the obligee,~~ or an electronic transfer of funds shall be sent to the designated account of the obligee *or an alternate account to be accessed by the obligee through an electronic access card, or if subrule 97.6(5) applies, a state warrant may be sent by regular mail to the last-known address of the obligee.*

ITEM 3. Amend subrule 97.6(3) as follows:

**97.6(3) Electronic transfer.** Obligees who want electronic transfer of support payments *to a designated account* shall complete Form 470-2612, Authorization for Automatic Deposit, and submit it to the collection services center. *Unless subrule 97.6(5) applies, any obligee not using automatic deposit to a designated account shall be issued an electronic access card for receipt of support payments.*

ITEM 4. Adopt the following **new** subrule:

**97.6(5) Warrants.** The collection services center may authorize generation of a warrant if any one of the following conditions applies:

a. Generation of a warrant is necessary to meet federal requirements to disburse a payment to an obligee within two working days when electronic transfer is not feasible.

b. The obligee has not requested automatic deposit to a designated account of the obligee, and payment is from a source that is nonrecurring or is not expected to continue in a 12-month period.

c. The obligee has not requested automatic deposit to a designated account of the obligee and has asserted in writing on Form 470-3972, Electronic Support Payments, that one of the exemptions listed in this paragraph applies. To claim an exemption, the obligee must return Form 470-3972 to the collection services center within ten days of the date the form was issued. An exemption granted under this paragraph is subject to periodic review by the collection services center. When the collection services center reviews an exemption, it shall issue Form 470-3973, Review of Electronic Transfer Exemption, to the obligee for completion. The exemptions available under this paragraph are:

(1) A physical disability imposes a hardship in accessing an electronically transferred payment.

(2) A mental disability imposes a hardship in accessing an electronically transferred payment.

(3) A language barrier imposes a hardship in accessing an electronically transferred payment.

HUMAN SERVICES DEPARTMENT[441](cont'd)

(4) A literacy barrier imposes a hardship in accessing an electronically transferred payment.

(5) The obligee's home and work addresses are more than 30 miles from an automated teller machine and more than 30 miles from a financial institution where the account funds can be accessed.

d. The representative payee, court appointee, or trustee notifies the collection services center or unit in writing that one of the following applies:

(1) The obligee is under a court-ordered guardianship or conservatorship.

(2) The obligee is involved in other legal proceedings, including bankruptcy, which require payments to be sent to a trustee or other representative payee.

[Filed Emergency After Notice 2/13/03, effective 3/1/03]

[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

## ARC 2347B

### MEDICAL EXAMINERS BOARD[653]

#### Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code sections 147.76 and 272C.3, the Board of Medical Examiners hereby amends Chapter 8, "Fees," Chapter 9, "Permanent Physician Licensure," and Chapter 10, "Resident, Special and Temporary Physician Licensure," Iowa Administrative Code.

The amendments make the following changes in resident licensure:

- Define the acronyms for the names of several accrediting bodies and the terms "resident training program," "board-approved resident training program" and "resident physician";

- Change the term "postgraduate training" to "resident training";

- Change the period of a resident physician license from two years with annual renewals to a license period that extends until the expected date of completion of the resident training program with the option of an extension, if warranted;

- Require that a resident must be enrolled in a Board-approved resident training program in order to qualify for a resident physician license;

- Establish licensure requirements for residents and faculty involved in an out-of-state resident training program when a portion of the training occurs in Iowa;

- Provide an exception to licensure related to residents and faculty in federal facilities;

- Eliminate the license renewal process on resident physician licenses;

- Establish a process for applying for an extension and the Board review process of that request for an extension of a resident physician license;

- Require the director of a resident training program to update the Board annually on each resident's progress and whether any warnings have been issued, investigations conducted or disciplinary actions taken, whether by voluntary agreement or formal action;

- Require the director of a resident training program to notify the Board within one month of a resident licensee's terminating from the program;

- Establish an extension process for those already holding a resident physician license;

- Increase the new resident physician license fee from \$75 to \$100, institute an extension fee of \$25, and increase the fee for a late extension to \$50; and

- Allow those enrolled in a resident training program to sit for the third licensure examination without having to complete seven months of resident training.

Notice of Intended Action for these amendments was published in the Iowa Administrative Bulletin on January 8, 2003, as **ARC 2243B** and a hearing was held on January 28, 2003. No one attended the hearing. These amendments are identical to those published under Notice.

The Board finds, pursuant to Iowa Code section 17A.5(2)"b"(2), that the normal effective date of these amendments should be waived and this amendment should be made effective upon filing with the Administrative Rules Coordinator on February 7, 2003, as it confers a benefit upon the medical education community in that a resident training license will now be issued for a one-time fee and will be valid until the expected date of completion of the training program rather than require renewals. Applicants for resident training programs begin submitting applications in February; early implementation will allow the Board to grant these applicants a license for the full training period.

The Board adopted these amendments to Chapters 8, 9 and 10 during its regularly held Board meeting on February 6, 2003.

These amendments are intended to implement Iowa Code chapters 17A, 147, 148, 150, 150A, and 272C.

These amendments became effective February 7, 2003.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [8.4(2), 9.1, 9.3 to 9.5, 10.1, 10.3] is being omitted. These amendments are identical to those published under Notice as **ARC 2243B**, IAB 1/8/03.

[Filed Emergency After Notice 2/7/03, effective 2/7/03]

[Published 3/5/03]

[For replacement pages for IAC, see IAC Supplement 3/5/03.]

## ARC 2348B

### NATURAL RESOURCE COMMISSION[571]

#### Adopted and Filed Emergency

Pursuant to the authority of Iowa Code section 455A.5, the Natural Resource Commission hereby adopts new Chapter 12, "Conservation Education," Iowa Administrative Code.

This new chapter continues the Conservation Education Program previously administered by the Iowa Department of Education. A Conservation Education Program Board is established by statute to revise and produce conservation education materials and to specify stipends to Iowa educators who participate in innovative conservation education programs approved by the Board.

## NATURAL RESOURCE COMMISSION[571](cont'd)

In compliance with Iowa Code section 17A.4(2), the Commission finds that notice and public participation are unnecessary, as the adopted rules were formerly administered by the Iowa Department of Education. The responsibility for oversight and administration of this program was transferred from the Department of Education to the Department of Natural Resources by the laws of the Seventy-Ninth General Assembly, 2002 Iowa Acts, chapter 1140, sections 39 and 44. These rules are a direct adaptation of the Department of Education rules formerly found at Iowa Administrative Code 281—Chapter 68, “Conservation Education” (rescinded IAB 8/21/02, **ARC 1907B**). The only change made to the rules was the replacement of references to “Department of Education” with “Department of Natural Resources” as the appropriate state agency for administering the program. Adoption of these rules will provide continuity in the administration of this program.

In compliance with Iowa Code section 17A.5(2)“b”(2), the Commission finds that the normal effective date of the rules should be waived and these rules should become effective upon filing on February 14, 2003. The adopted rules provide a benefit to the public by establishing a process by which members of the public may obtain grants, conservation education materials, and stipends. It is further necessary that the rules become effective immediately because the rules of the Department of Education have been rescinded, and therefore immediate adoption is necessary to the continuity of this ongoing program.

The Natural Resource Commission adopted this new chapter on February 13, 2003.

These rules became effective February 14, 2003.

These rules are intended to implement Iowa Code section 455A.21.

The following new chapter is adopted.

## CHAPTER 12 CONSERVATION EDUCATION

**571—12.1(455A) Purpose.** The purpose of these rules is to define procedures for the administration of funds within the conservation education program board account for production and revision of conservation education materials, and to specify stipends to Iowa educators who participate in innovative conservation education programs approved by the board. The conservation education program shall serve Iowa citizens by providing effective curricula, program materials and educator stipends to increase environmental awareness and understanding of stewardship, and shall enhance natural resources. Expenditure of funds from the conservation education program board account shall be in accordance with this policy.

**571—12.2(455A) Conservation education program policy.** The conservation education program board shall constitute a long-term integrated effort to support conservation education for Iowa educators and students. To support this policy, the board may establish guidelines from time to time to direct applicants to priority areas for funding and shall give preference to grants that meet these guidelines. The board may provide funding for activities that expand the impact of the project and provide accessibility for widespread adoption of programs for implementation by others. The board may provide funding for tracking of project implementation and evaluation.

**571—12.3(455A) Conservation education program board.** A conservation education program board is created in

the department. The board shall have five members appointed as follows:

1. One member appointed by the director of the department of education.
2. One member appointed by the director of the department of natural resources.
3. One member appointed by the president of the Iowa association of county conservation boards.
4. One member appointed by the Iowa association of naturalists.
5. One member appointed by the Iowa conservation education council.

**571—12.4(455A) Definitions.**

“Board” means the resource enhancement and protection (REAP) conservation education program board.

“Conservation education programs” means programs developed for formal (K-12 students), nonformal (preschool, adult and continuing education) and higher education (post-secondary and adult) programs, within the subject areas of natural resource conservation and environmental protection.

“Department” means the department of natural resources.

“Director” means the director of the department of natural resources.

“Educator” means any person who teaches environmental/conservation education. This may apply to certified teachers, governmental or private naturalists or education specialists, or others so determined by the board.

“Environmental/conservation education materials” means materials that are developed or produced that provide knowledge, skills, processes and strategies that enhance Iowa citizens’ understanding of natural resources conservation and environmental issues.

“Stipends for Iowa educators who participate in innovative conservation education programs” may include tuition cost, acceptable food and lodging costs, substitute teacher costs, mileage expenses or separate allowances when applicable for educators to attend board-approved environmental/conservation education workshops, in-service programs and conferences, and other costs as approved by the board.

**571—12.5(455A) Eligibility for funds.** In years in which funds are made available, grant applications may be submitted by institutions of higher learning; government agencies, including local school districts; nonpublic schools; area education agencies; organizations; and individuals with an Iowa residence. Preference shall be given to Iowa participants.

**571—12.6(455A) Grant applications, general procedures.**

**12.6(1)** Applications for all grant programs shall be made on forms provided by the department. The original and five copies shall be submitted by the deadlines specified in subsequent rules of this chapter or as otherwise published by the department.

**12.6(2)** Applications shall be made in sufficient detail as to clearly describe the scope of the project including the following:

- a. Applicant identification (applicant’s name and address).
- b. Project summary and demonstration of need.
- c. Program goals, objectives, time lines, and transferability, and who is responsible.
- d. Documentation of assurances and letters of community support, including cooperating agencies.
- e. Project budget (administrative/indirect costs not to exceed 10 percent of total award).

## NATURAL RESOURCE COMMISSION[571](cont'd)

- f. Project management.
- g. A plan for evaluation.

Any application which is not complete at the time of the specified submittal deadline shall not be considered for funding. The proposals shall be submitted to the department.

**12.6(3)** Applications shall be postmarked on or before May 15 for the first application period and on or before November 1 for the second application period. Upon receipt, the proposals will be reviewed to determine whether all required materials have been included and whether the proposal falls within the department's guidelines. Failure to meet these criteria will result in disqualification of the proposal.

**12.6(4)** Joint applications are permitted. One entity must serve as the primary applicant. Joint projects sponsored by entities, e.g., an organization or institution, area education agency, competing for funds from different resource enhancement and protection (REAP) accounts are allowable. Applications must clearly spell out the respective shares of project costs to be derived from various REAP accounts if the project is approved for funding. Any cooperative agreement between joint applicants must be provided as a part of the application.

**12.6(5)** Similar development projects. An application for a conservation education program grant may serve more than one target population (e.g., scouting and K-6 classrooms).

**571—12.7(455A) Conflict of interest.** If a project is submitted to the board by an agency, institution, conservation board, or private conservation interest, one of whose members or employees are on the board or the review and selection committee, that member or employee shall not participate in discussion on or ranking of that particular project.

**571—12.8(455A) Criteria.** Preference will be given, in formal and informal education programs, to materials capable of being infused in multiple curricular areas. Also, preference will be given to projects that encourage conservation stewardship. Proposals shall include, but not be limited to, the following types of information that can be found in the REAP/conservation education program (CEP) applications and procedures manual.

**12.8(1)** Statement of need. This part of the proposal identifies the target audience and describes how this audience will be served. The statement of need contains evidence or research that a need for such a project exists, explains how stated need relates to REAP/CEP priorities and guidelines, and shows interdisciplinary components.

**12.8(2)** Goals, objectives, activities. This part of the proposal describes how the project will address the environmental education goals identified by the writer, how workable or appropriate the project is to the audience, and activity time lines. This part also describes how the project incorporates collaboration and networking, the potential of the project to be implemented elsewhere, and how the project demonstrates innovative and creative ideas and strategies.

**12.8(3)** Funding and budget considerations. This part of the proposal describes a realistic and cost-effective budget, shows ratio of total budget to number of people directly served, and shows that the project budget meets expense eligibility stated in subrule 12.9(6).

**12.8(4)** Evaluation. This part of the proposal describes evaluation tools that the applicant will use to show how well the project's goals and objectives have been met and how well the audience meets objectives. This part identifies strategies, milestones, and tools that will be used to monitor the project and describes how monitoring will be used to strengthen the project and how information will be disseminated.

**571—12.9(455A) Grantee responsibilities.**

**12.9(1)** Timely completion of projects. Projects are expected to be completed in a 12-month time period; however, up to 18 months may be allowed by the board for grants difficult to accomplish in 12 months. The board may consider extending the time period of a grant upon request.

**12.9(2)** Record keeping and retention. Grant recipients shall keep adequate records relating to the administration of a project, particularly all incurred expenses. These records shall be available for audit by representatives of the department and the state auditor's office. All records shall be retained in accordance with state laws.

**12.9(3)** Midterm and final reports. Grantees shall provide midterm and final reports that include information detailing progress toward goals and objectives, expenditures and services on forms provided for those reports. The reports shall clearly identify the status of fundraising relevant to the approved project and problems that may cause a delay in completing the project within the approved project period. Failure to submit reports by the due date shall result in suspension of financial payments to the grantee until the time that the report is received. Grants are considered active until the board notifies the grantee that the grant has been terminated or completed by the terms of the grant. At the completion of the project and prior to the final payment, a final written report shall be submitted by the grantee to the board. The final 10 percent payment shall be withheld pending this report, which shall include a 75- to 100-word summary of project results. This summary will be posted on the state environmental education Web site. No new awards shall be made for continuation programs when there are delinquent reports from prior grants.

**12.9(4)** Contract revisions. The grantee shall immediately inform the board of any revisions in the project budget in excess of 10 percent of a line item. The board and the grantee may negotiate a revision to the contract to allow for expansion or modification of services, but shall not increase the total amount of the grant. The board retains the authority to approve or deny contract revisions.

**12.9(5)** Nonapplication of copyright. Program materials developed from resource enhancement and protection funds for conservation education materials shall bear the REAP logo. However, materials developed under this grant shall not be copyrighted by the grantee unless the board gives permission.

**12.9(6)** Restrictions. Funds allocated under this chapter shall not be used for out-of-state travel or equipment, such as typewriters, computers, and hardware, or for construction, renovation, or remodeling costs unless specifically approved by the board.

**571—12.10(455A) Board review and approval.** The board or its designee shall review and rank projects for funding, and funds shall be awarded on a competitive basis. If delegated, the reviewing, scoring and ranking of projects will be presented to the board as recommendations. The board may approve or deny funding for any project or part thereof.

**12.10(1)** In each year that funds are made available by the Iowa legislature, payments shall be as follows:

- a. For grant periods in excess of 90 days, up to 50 percent shall be paid at the beginning of the grant period, up to 40 percent at the midpoint of the grant period, and the balance upon successful completion as determined by the board.
- b. For grant periods of fewer than 90 days, 75 percent shall be paid at the beginning of the grant period and the balance at successful completion as determined by the board.

## NATURAL RESOURCE COMMISSION[571](cont'd)

**12.10(2)** The board shall notify successful applicants and shall provide a contract for signature. This contract shall be signed by an official with authority to bind the applicant and shall be returned to the department prior to the award of any funds under this program.

**571—12.11(455A) Waivers of retroactivity.** Normally, grant program developments completed prior to application scoring will not be approved. However, an applicant may make written request for a waiver of retroactivity to allow project elements to be considered for grant assistance. Waivers will be issued in writing by the board. Receipt of a waiver does not ensure funding, but only ensures that the project will be considered for funding along with all other applications.

**571—12.12(455A) Penalties.** Whenever any property, real or personal, acquired or developed with resource enhancement and protection funds passes from the control of the grantee or is used for purposes other than the approved project purpose, it will be considered an unlawful use of the funds. If a grantee desires to use the approved funds for a purpose other than the approved project purpose, the grantee shall seek an amendment to the project purpose by following the provisions of subrule 12.9(4). The board shall notify the grantee of any apparent violation.

**571—12.13(455A) Remedy.** Funds used unlawfully, without authorization, or for other than the approved project purpose shall be returned to the department within the period specified by the board or director. The remedies provided in this rule are in addition to others provided by law.

**571—12.14(455A) Termination for convenience.** The contract may be terminated in whole or in part when both parties agree that the continuation of the project would not produce beneficial results commensurate with the future expenditure of funds. The parties shall agree upon the termination conditions, including the effective date, and, in the case of partial terminations, the portion to be terminated. The grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible.

**571—12.15(455A) Termination for cause.** The contract may be terminated in whole or in part at any time before the date of completion whenever it is determined by the board that the grantee has failed to comply substantially with the conditions of the contract. The grantee shall be notified in writing by the department of the reasons for the termination

and the effective date. The department shall administer the conservation education grants contingent upon their availability. If there is a lack of funds necessary to fulfill the fiscal responsibility of the conservation education grants, the contracts shall be terminated or renegotiated. The board may terminate or renegotiate a contract upon 30 days' notice when there is a reduction of funds by executive order. The grantee shall not incur new obligations for the terminated portion after the effective date and shall cancel as many outstanding obligations as possible.

**12.15(1)** Failure to initiate or complete project. Failure to initiate or complete the project in a timely manner shall be cause for termination of the project by the board. The grantee shall return unused grant funds at the time of termination.

**12.15(2)** Ineligibility. Whenever the board determines that a grantee is in violation of these rules, that grantee shall be ineligible for further assistance until the matter has been resolved to the satisfaction of the board.

**571—12.16(455A) Responsibility of grantee at termination.** Within 45 days of the termination, the grantee shall supply the department with a financial statement detailing all costs up to the effective date of the termination. If the grantee expends money for other than specified budget items approved by the board, the grantee shall return moneys for unapproved expenditures.

**571—12.17(455A) Appeals.** Appeals to the decisions on grant awards shall be filed with the director of the department. The letter of appeal shall be filed within ten working days of receipt of notice of decision and shall be based on a contention that the process was arbitrary; conducted outside of statutory authority; violated state or federal law, policy, or rule; did not provide adequate public notice or was altered without adequate public notice; or involved conflict of interest by staff or board members. The director of the department shall notify the board of the appeal. The board may submit evidence in support of its decision within ten days of notice from the director. The director shall issue a decision within a reasonable time following receipt of the appeal.

These rules are intended to implement Iowa Code sections 455A.19 and 455A.21.

[Filed Emergency 2/14/03, effective 2/14/03]  
[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2330B****ELDER AFFAIRS  
DEPARTMENT[321]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 231.55, the Department of Elder Affairs hereby amends Chapter 14, "Retired Senior Volunteer Program (RSVP)," Iowa Administrative Code.

The amendments are intended to further define the responsibilities of the State Committee, enhance the description of the grant process, and update the names of participating agencies in the Retired and Senior Volunteer Program.

Notice of Intended Action was published in the December 25, 2002, Iowa Administrative Bulletin as **ARC 2217B**. These amendments are identical to those published under Notice.

These amendments were approved during the February 7, 2003, meeting of the Commission of the Department of Elder Affairs.

These amendments will become effective April 9, 2003.

These amendments are intended to implement Iowa Code section 231.55.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [amendments to Ch 14] is being omitted. These amendments are identical to those published under Notice as **ARC 2217B**, IAB 12/25/02.

[Filed 2/13/03, effective 4/9/03]

[Published 3/5/03]

[For replacement pages for IAC, see IAC Supplement 3/5/03.]

**ARC 2333B****HUMAN SERVICES  
DEPARTMENT[441]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 234.6, the Department of Human Services amends Chapter 65, "Administration," Iowa Administrative Code.

Federal law mandates that the issuance of food stamp benefits be changed from a paper-based system to electronic benefits transfer by October 1, 2002. The U.S. Department of Agriculture has approved a waiver allowing Iowa an extra year to comply with electronic issuance requirements due to problems encountered in the bidding process for implementation of the system. These amendments are necessary to implement this change.

Under the electronic benefits transfer system, food stamp clients will be issued magnetic cards instead of paper food stamp coupons. These cards will allow clients to access their benefits at point-of-sale terminals located in grocery stores and other places where they buy food. The Department will issue terminals to any retailers that do at least \$100 in food stamp business per month and do not wish to use their existing equipment. (The \$100 threshold is set by federal regulation.) Retailers will use a paper voucher system if the elec-

tronic system is down or the retailer does not qualify for a point-of-sale terminal.

The basic requirements for the issuance of food stamp benefits are contained in federal regulations, which the Department has adopted by reference. Most of these amendments are being adopted because Iowa has obtained waivers from federal regulations or is selecting an option offered in federal regulations. Rule 441—65.36(234), which pertains to the operation of the pilot electronic benefit transfer project currently operating in Linn County, is being rescinded.

These amendments do not provide for waivers in specified situations because the Department does not have the authority to waive federal requirements and cannot at this point change options negotiated in the contract for implementing the system.

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin as **ARC 2215B** on December 25, 2002. The Department received no comments on the Notice of Intended Action. These amendments do contain some changes from the Notice of Intended Action as a result of further development of procedures during the Notice period. These changes include the following:

- Language is added to subrule 65.4(4), paragraph "a," to cross-reference the procedure for nonequipped retailers to process manual issuance vouchers.

- Language is added to subrule 65.4(5) to specify procedures for processing both emergency vouchers and vouchers from retailers that do not have point-of-sale terminals or whose terminal fails. Clients sign separate voucher forms in each situation. A retailer without point-of-sale equipment must obtain a telephone authorization before approving a client's purchase.

- New subrule 65.21(5) is adopted to provide a procedure for a client to authorize adjustments to the EBT account to use benefits to offset food stamp claims owed by the household. The language parallels the procedure previously included in rescinded subrule 65.36(7), paragraph "c." This provision was inadvertently omitted from the amendments in the Notice.

The Council on Human Services adopted these amendments on February 12, 2003.

Implementation of the new system is scheduled to begin in Linn County and Jones County in May 2003. Statewide roll-out will occur in three phases, beginning in mid-July with the Cedar Rapids and Davenport service areas, followed in mid-August by the Dubuque, Waterloo, and Ames service areas, and in mid-September with the Des Moines, Council Bluffs, and Sioux City service areas. Statewide implementation is expected to be complete by October 17, 2003.

These amendments are intended to implement Iowa Code section 234.12.

These amendments shall become effective on May 1, 2003.

The following amendments are adopted.

ITEM 1. Amend rule 441—65.2(234), introductory paragraph and first unnumbered paragraph, as follows:

**441—65.2(234) Application.** Persons in need of food ~~stamps~~ *stamp benefits* may file an application at any local department office in Iowa.

An application is filed the day a food stamp office receives an application for food ~~stamps~~ *stamp benefits* on Form 470-0306 or 470-0307 (Spanish), Application for Food Stamps, or Form 470-0462 or Form 470-0466 (Spanish), Public Assistance Application, containing the applicant's name and address, which is signed by either a responsible member of the household or the household's authorized rep-

## HUMAN SERVICES DEPARTMENT[441](cont'd)

representative. When an application is delivered to a closed office, it will be considered received on the first day that is not a weekend or state holiday following the day that the office was last open. A household shall complete a Public Assistance Application when any person in the household is applying for or receiving aid through the family investment program, family medical assistance program (FMAP)-related Medicaid, or the refugee resettlement assistance programs. The application is complete when a completed Form 470-0306, 470-0307, 470-0462, or 470-0466 is submitted.

Households receiving food stamps without a change of administrative area stamp benefits in Iowa may apply for continued participation by submitting Form 470-2881, Review/Recertification Eligibility Document.

ITEM 2. Rescind rule 441—65.4(234) and adopt in lieu thereof the following new rule:

**441—65.4(234) Issuance.** The department shall issue food stamp benefits by electronic benefits transfer (EBT), subject to the implementation plan. Implementation will be phased in from May 2003 through October 2003. The state will complete statewide conversion of food stamp EBT by October 2003.

**65.4(1) Schedule.** Food stamp benefits for ongoing certifications shall be made available to households on a staggered basis during the first ten calendar days of each month.

**65.4(2) EBT cards.** EBT cards shall be mailed to clients.

a. Personal identification number selection. When a client receives the EBT card, the client shall call the automated response unit to select a personal identification number. The client must provide proof of identity before selecting the personal identification number.

b. Replacement of EBT cards. EBT cards shall be replaced within five business days after the client notifies the EBT customer service help desk of the need for replacement.

**65.4(3) Client training.** Written client training materials may either be mailed to clients or be handed to the clients if they visit the local office. Clients will be given in-person training upon request or if they are identified as having problems using the EBT system.

**65.4(4) Point-of-sale terminals.** Point-of-sale terminals allow clients to access food stamp benefits and retailers to redeem food sales.

a. Redemption threshold. The department will not place point-of-sale terminals with any authorized retailer with less than \$100 in monthly food stamp redemptions. Those retailers may participate through a manual voucher process described in paragraph 65.4(5)“b.”

b. Shipping. Government-supplied point-of-sale terminals may be shipped to authorized retailers along with instructions for installation of the equipment and training materials. A toll-free number is available for retailers needing assistance.

c. Replacement. The department shall ensure that government-supplied point-of-sale terminals that are not operating properly are repaired or replaced within 48 hours.

**65.4(5) Voucher processing.**

a. Emergency vouchers. Authorized retailers may use an emergency manual voucher if they cannot access the EBT host system.

(1) The client shall sign Form 470-2827, Offline Food Stamp Voucher, to authorize a debit of the household's EBT account.

(2) The retailer shall clear the manual transaction as soon as the host system becomes operational.

(3) The retailer shall receive a payment of the actual amount of the voucher, up to a maximum of \$50.

b. Manual vouchers. Authorized retailers without point-of-sale terminals and retailers whose equipment fails may use a manual voucher. If a manual voucher is used:

(1) The client shall sign Form 470-3980, Offline Food Stamp Voucher: Non Equipped Retailer (No POS), to authorize a debit of the household's EBT account.

(2) The retailer shall obtain a telephone authorization from the EBT retailer help desk before finalizing the purchase.

(3) The retailer shall clear the manual transaction within 30 days.

(4) If there are insufficient funds in the client's account when the voucher is presented, the client's account shall be debited for the amount in the account. The remainder of the amount owed shall be deducted from benefits issued for subsequent months. If the next month's allotment is less than \$50, the deduction shall not exceed \$10.

ITEM 3. Amend rule **441—65.9(234)**, first unnumbered paragraph, as follows:

Notwithstanding anything to the contrary in these rules or regulations, disabled persons as defined in 7 CFR 271.2, as amended to December 4, 1991, residing in certain group living arrangements are eligible to receive and use food stamps stamp benefits to purchase their prepared meals.

ITEM 4. Amend rule 441—65.17(234) as follows:

**441—65.17(234) Involvement in a strike.** An individual is not involved in a strike at the individual's place of employment when the individual is not picketing and does not intend to picket during the course of the dispute, does not draw strike pay, and provides a signed statement that the individual is willing and ready to return to work but does not want to cross the picket line solely because of the risk of personal injury or death or trauma from harassment. The regional administrator service area manager shall determine whether such a risk to the individual's physical or emotional well-being exists.

ITEM 5. Amend subrules 65.19(12) and 65.19(18) as follows:

**65.19(12) Mailing of notices.** All individual household notices of benefit amounts will be mailed separately from food stamps stamp benefits.

**65.19(18) Household membership.**

a. Except for applications received during a period of time when the household was not certified to receive food stamps stamp benefits, household membership shall be determined as it was or is anticipated to be on the first day of the issuance month. Changes in household membership occurring on or after the first day of the month which are reported during the month in which the change occurs, will not be considered until the following month.

b. Except for qualified residents of a shelter for battered women and children, individuals shall not be added to the household prior to their being before they are removed from another household where they were receiving food stamps stamp benefits.

ITEM 6. Amend rule 441—65.21(234) by adopting the following new subrule:

**65.21(5) Adjustments for claim repayment.** A household or authorized representative may initiate a food stamp claim repayment by using benefits in an EBT account. The client or authorized representative shall complete Form 470-2574,

HUMAN SERVICES DEPARTMENT[441](cont'd)

EBT Adjustment Request, to authorize adjustments to a household's EBT account.

ITEM 7. Rescind and reserve rule **441—65.36(234)**.

[Filed 2/13/03, effective 5/1/03]

[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

## ARC 2331B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 78, "Amount, Duration, and Scope of Medical and Remedial Care," Iowa Administrative Code.

This amendment reduces the rate of Medicaid reimbursement for transportation by car to receive medical care not available in a recipient's home community from 29 cents per mile to 20 cents per mile. The Department is adopting this amendment in an effort to contain Medicaid expenditures without reducing covered services. This change was suggested through public input the Department solicited on cost-saving measures.

This amendment does not provide for waivers in specified situations because reimbursement should be equal for all recipients.

The substance of this amendment was Adopted and Filed Emergency and published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2162B**. Notice of Intended Action was published as **ARC 2153B** in the Iowa Administrative Bulletin on the same date to solicit public comment.

The comments received were universally negative, although most commenters were under the impression that the amendment changed the reimbursement rates for transportation services provided under home- and community-based services waivers, which is not the case.

This amendment is identical to the amendment published under Notice of Intended Action and Adopted and Filed Emergency.

The Council on Human Services adopted this amendment on February 12, 2003.

This amendment is intended to implement Iowa Code section 249A.4.

This amendment shall become effective on May 1, 2003, at which time the Adopted and Filed Emergency amendment is hereby rescinded.

The following amendment is adopted.

Amend subrule 78.13(5) as follows:

**78.13(5)** Transportation may be of any type and may be provided from any source.

a. When transportation is by car, the maximum payment which may be made will be the actual charge made by the provider for transportation to and from the source of medical care, but not in excess of ~~the rate 20 cents per mile payable to state employees for official travel.~~

b. When public transportation is utilized, the basis of payment will be the actual charge made by the provider of transportation, not to exceed the charge that would be made

by the most economical available source of public transportation.

c. In all cases where public transportation is reasonably available to or from the source of care and the recipient's condition does not preclude its use, it must be utilized. When the recipient's condition precludes the use of public transportation, a statement to the effect shall be included in the case record.

[Filed 2/13/03, effective 5/1/03]

[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

## ARC 2334B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 78, "Amount, Duration, and Scope of Medical and Remedial Care," Iowa Administrative Code.

This amendment changes and clarifies Medicaid coverage for orthopedic shoes by:

- Defining "depth shoe," "custom-molded shoe," and "insert."
- Defining criteria for coverage of depth and custom-molded shoes.
- Removing the requirement that the county Department office issue an authorization to a shoe dealer for each purchase.

This amendment provides for a waiver to the number of shoes provided by allowing an extra pair for students who also need athletic shoes. Other recipients who believe they need a waiver of this rule may request a waiver under rule 441—1.8(17A,217).

Notice of Intended Action on this amendment was published in the Iowa Administrative Bulletin on November 27, 2002, as **ARC 2138B**. The Iowa Podiatric Medical Society submitted comments on the proposed amendment. In response, the Department has made the following changes to the amendment:

- Added the words "depth and custom-molded" after "therapeutic" in subrule 78.15(3), paragraph "a."
- Clarified in subrule 78.15(3), paragraph "b," that all of the listed conditions must be documented to justify coverage of custom-molded shoes.

The Council on Human Services adopted this amendment on February 12, 2003.

This amendment is intended to implement Iowa Code section 249A.4.

This amendment shall become effective on May 1, 2003.

The following amendment is adopted.

Rescind rule 441—78.15(249A) and adopt the following **new** rule in lieu thereof:

**441—78.15(249A) Orthopedic shoes.** Payment shall be approved only for depth or custom-molded orthopedic shoes, inserts, and modifications, subject to the following definitions and conditions.

## HUMAN SERVICES DEPARTMENT[441](cont'd)

**78.15(1) Definitions.**

"Custom-molded shoe" means a shoe that:

1. Has been constructed over a cast or model of the recipient's foot;
2. Is made of leather or another suitable material of equal quality;
3. Has inserts that can be removed, altered, or replaced according to the recipient's conditions and needs; and
4. Has some form of closure.

"Depth shoe" means a shoe that:

1. Has a full-length, heel-to-toe filler that when removed provides a minimum of 3/16 inch of additional depth used to accommodate custom-molded or customized inserts;
2. Is made from leather or other suitable material of equal quality;
3. Has some form of closure; and
4. Is available in full and half sizes with a minimum of three widths, so that the sole is graded to the size and width of the upper portions of the shoe according to the American Standard last sizing schedule or its equivalent.

"Insert" means a foot mold or orthosis constructed of more than one layer of a material that:

1. Is soft enough and firm enough to take and hold an impression during use, and
2. Is molded to the recipient's foot or is made over a model of the foot.

**78.15(2) Prescription.** The recipient shall present to the provider a written prescription by a physician, a podiatrist, a physician assistant, or an advanced registered nurse practitioner that includes all of the following:

1. The date.
2. The patient's diagnosis.
3. The reason orthopedic shoes are needed.
4. The probable duration of need.
5. A specific description of any required modification of the shoes.

**78.15(3) Diagnosis.** The recipient shall have a diagnosis of an orthopedic, neuromuscular, vascular, or insensate foot condition, supported by applicable codes from the current version of the International Classification of Diseases (ICD). A diagnosis of flat feet is not covered.

a. A recipient with diabetes must meet the Medicare criteria for therapeutic depth and custom-molded shoes.

b. Custom-molded shoes are covered only when the recipient has a foot deformity and the provider has documentation of all of the following:

- (1) The reasons the recipient cannot be fitted with a depth shoe.
- (2) Pain.
- (3) Tissue breakdown or a high probability of tissue breakdown.
- (4) Any limitation on walking.

**78.15(4) Frequency.** Only two pairs of orthopedic shoes are allowed per recipient in a 12-month period unless documentation of change in size or evidence of excessive wear is submitted. EXCEPTION: School-aged children under the age of 21 may obtain athletic shoes in addition to the two pairs of shoes in a 12-month period.

This rule is intended to implement Iowa Code section 249A.4.

[Filed 2/13/03, effective 5/1/03]

[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2332B****HUMAN SERVICES  
DEPARTMENT[441]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4 and 2001 Iowa Acts, chapter 191, section 31, the Department of Human Services amends Chapter 79, "Other Policies Relating to Providers of Medical and Remedial Care," Iowa Administrative Code.

This amendment modifies the procedures for setting the state maximum allowable cost for specified drugs under the Medicaid program. The amendment:

- Removes the minimum value of the adjustment factor for determining the state maximum allowable cost.
- Provides that the Department will set the adjustment factor in consultation with the Iowa Pharmacy Association.
- Removes the requirement to set the adjustment factor at least quarterly and makes the timing subject to the Department's discretion.
- Removes requirements for pharmacies to submit product cost and availability information to the Department and makes submission voluntary.

This amendment does not provide for waivers in specified situations because these changes confer a benefit on providers and because all drug claims should be reimbursed on the same basis.

The substance of this amendment was Adopted and Filed Emergency and published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2163B**. Notice of Intended Action was published as **ARC 2154B** in the same edition of the Iowa Administrative Bulletin to solicit public comment. The Department received no comments on the Notice of Intended Action. This amendment is identical to that published under Notice of Intended Action and Adopted and Filed Emergency.

The Council on Human Services adopted this amendment on February 12, 2003.

This amendment is intended to implement Iowa Code section 249A.4 and 2001 Iowa Acts, chapter 191, section 31, subsection 1.

This amendment shall become effective on May 1, 2003, at which time the Adopted and Filed Emergency amendment is hereby rescinded.

The following amendment is adopted.

Amend subrule **79.1(8)** as follows:

Amend paragraph "**a**," subparagraph **(3)**, as follows:

(3) The state maximum allowable cost (SMAC), defined as the average wholesale acquisition cost for a drug and all equivalent products adjusted by a multiplier of at least 1.0, as factor determined appropriate by the department, in consultation with the Medicaid Pharmacy Advisory Committee of the Iowa Pharmacy Association, plus the professional dispensing fee specified in paragraph "g." The department shall set the multiplier on a quarterly basis, or more adjustment factor and adjust the SMAC as often as it deems necessary, at the minimum necessary to ensure adequate product availability at minimum cost.

Amend paragraph "**i**" as follows:

Amend the introductory paragraph as follows:

i. Pharmacies and providers that are enrolled in the Iowa Medicaid program shall make available may submit drug acquisition cost information, or product availability informa-

HUMAN SERVICES DEPARTMENT[441](cont'd)

tion, and other information deemed necessary by to assist the department for the determination of in monitoring and revising reimbursement rates subject to 79.1(8) "a" (3) and 79.1(8) "c" and for the efficient operation of the pharmacy benefit.

Rescind subparagraphs (1) and (2).

[Filed 2/13/03, effective 5/1/03]

[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

## ARC 2335B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services hereby amends Chapter 81, "Nursing Facilities," Iowa Administrative Code.

These amendments change Medicaid reimbursement for nursing facilities in two areas:

- Payment for services to recipients who are covered both under the federal Medicare program and the state Medicaid program (known as "crossover claims").
- Payments to hold a bed while a recipient is absent from a facility for a visit or hospitalization.

These amendments are cost-saving measures necessary due to a shortfall in the Medicaid appropriation for state fiscal year 2003.

Iowa's current reimbursement policy for nursing facility crossover claims provides for Medicaid payment of the full coinsurance and deductible amounts as determined by Medicare. These amendments provide that Medicaid will reimburse nursing facilities for Medicare coinsurance and deductible amounts only to the extent that the Medicare payment received is less than the Medicaid-allowed amount for the services. This rule change will ensure that Medicaid does not pay more than the Medicaid-allowed amount for nursing facility services.

For example, if the Medicare charge for a service is \$300 and the coinsurance is 20 percent, Medicare would pay \$240 for the claim, and a \$60 crossover claim would be submitted to Medicaid. If the nursing facility's Medicaid per diem for the nursing facility service is \$100, then Medicaid would make no further payment, since the Medicare payment received by the nursing facility (\$240) is already greater than what Medicaid would allow (\$100).

Medicare policy generally permits coinsurance, copayment, and deductible amounts that the nursing facility cannot collect (e.g., from Medicaid) to be treated as "bad debts," which are reimbursable by Medicare. Nursing facilities may experience a cash flow impact due to a longer wait in receiving payment for Medicare bad debts than for crossover claim payments, but it is expected that any adverse financial impact on nursing facilities will be minimal. The Department has contacted Medicare fiscal intermediaries to explore processes for making bad debt payments more frequently.

If there is any change in Medicare policy on bad debts, the Department is committed to amending these rules to address any shortfalls in facility payments. This policy is not intended to reduce facility reimbursement.

The purpose of the bed-hold payment is to ensure that a Medicaid recipient does not forfeit space in the nursing facility by being absent due to a hospitalization or visit. With the current budgetary problems, the Department is no longer able to pay 75 percent of the facility per diem rate to reserve a bed for a Medicaid recipient who is absent from the facility.

Notice of Intended Action for these amendments was published in the Iowa Administrative Bulletin on December 25, 2002, as **ARC 2214B**. The Department held a public hearing on the Notice of Intended Action on January 15, 2003. The Department also received three written comments on the Notice of Intended Action.

In response to these comments, the Department has made the following changes from the Notice of Intended Action:

- In subrule 81.6(20), hospital-based Medicare-certified nursing facilities are exempted from the changes in reimbursement for crossover claims. Medicare policy for hospital-based nursing facilities allows recovery of only 70 percent of bad debts. The Department will prepare a separate rule making to address crossover claims in these 18 facilities.
- In subrule 81.10(4), paragraph "f," payments to hold a bed are reduced equally in all facilities, regardless of occupancy. To achieve equivalent savings, the payment level is set at 42 percent of the nursing facility's established per diem rate. On the average, this is expected to yield a payment of \$41.19, which is slightly more than the average direct care component of nursing facility rates of \$40.89 per day.
- Grammatical changes are made to subrule 81.10(5), paragraph "e," subparagraph (1), to make the language parallel with paragraph "f."

These amendments do not provide for waivers because all nursing facilities should be subject to the same reimbursement criteria. Anticipated savings will not be achieved if waivers are provided.

The Council on Human Services adopted these amendments on February 12, 2003.

These amendments are intended to implement Iowa Code section 249A.4.

These amendments shall become effective on May 1, 2003.

The following amendments are adopted.

ITEM 1. Adopt **new** subrule 81.6(20) as follows:

**81.6(20)** Medicare crossover claims for nursing facility services.

a. Definitions. For purposes of this subrule:

"Crossover claim" means a claim for Medicaid payment for Medicare-covered nursing facility services rendered to a Medicare beneficiary who is also eligible for Medicaid. Crossover claims include claims for services rendered to beneficiaries who are eligible for Medicaid in any category including, but not limited to, qualified Medicare beneficiaries and beneficiaries who are eligible for full Medicaid coverage.

"Medicaid-allowed amount" means the Medicaid reimbursement rate for the services rendered (including any portion to be paid by the Medicaid beneficiary as client participation) multiplied by the number of Medicaid units of service included in a crossover claim, as determined under state and federal law and policies.

"Medicare payment amount" means the Medicare reimbursement rate for the services rendered multiplied by the number of Medicare units of service included in a crossover claim, excluding any Medicare coinsurance or deductible amounts to be paid by the Medicare beneficiary.

## HUMAN SERVICES DEPARTMENT[441](cont'd)

b. Crossover claims. Crossover claims for services covered under Medicare Part A and under Medicaid are reimbursed as set out in this paragraph.

(1) If the Medicare payment amount for a crossover claim exceeds or equals the Medicaid-allowed amount for that claim, Medicaid reimbursement for the crossover claim will be zero.

(2) If the Medicaid-allowed amount for a crossover claim exceeds the Medicare payment amount for that claim, Medicaid reimbursement for the crossover claim is the lesser of:

1. The Medicaid-allowed amount minus the Medicare payment amount; or

2. The Medicare coinsurance and deductible amounts applicable to the claim.

c. EXCEPTION: The provisions of paragraph 81.6(20)“b” shall not apply to crossover claims for services provided in Medicare-certified hospital-based nursing facilities.

d. Application of savings. Effective May 1, 2003, savings in Medicaid reimbursements attributable to the limits on nursing facility crossover claims established by this subrule shall be used to pay costs associated with development and implementation of this subrule before reversion to Medicaid.

ITEM 2. Amend subrule **81.10(4)**, paragraph “**f**,” as follows:

f. Payment for periods when residents are absent for ~~visitation a visit~~ or hospitalization shall be made at ~~75~~ 42 percent of the nursing facility’s rate. *Effective May 1, 2003, Medicaid reimbursement savings attributable to the limitation of payments to facilities for periods when residents are absent shall be used to pay costs associated with the design and implementation of that limitation before reversion to Medicaid.*

ITEM 3. Amend subrule **81.10(5)**, paragraph “**e**,” subparagraph (1), as follows:

(1) The resident, the resident’s family, or friends may pay to hold the resident’s bed in cases where a resident *who is not discharged from the facility* spends over 18 days per year on ~~yearly visitation~~ visits (or longer under 81.10(4)“d”) or spends over 10 days per calendar month on a hospital stay. ~~When the resident is not discharged from the facility, these~~ *These supplementation* payments shall not exceed ~~75 percent of the allowable audited costs for the facility, not to exceed the maximum reimbursement rate, the amount the department would pay to hold the bed under paragraph 81.10(4)“f.”~~

When the resident is discharged, the facility may handle the holding of the ~~reserve~~ bed in the same manner as *for a private paying resident.*

[Filed 2/13/03, effective 5/1/03]

[Published 3/5/03]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

## ARC 2336B

### IOWA FINANCE AUTHORITY[265]

#### Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3(1)“b” and 16.5(17), the Iowa Finance Authority hereby amends Chapter 15, “Housing Assistance Fund (HAF),” Iowa Administrative Code.

The purpose of these amendments is to include local housing trust funds as eligible applicants under the Authority’s single-family construction loan program and to add rules that allow local housing trust funds to efficiently utilize the single-family construction loan program.

Notice of Intended Action was published in the December 25, 2002, Iowa Administrative Bulletin as **ARC 2218B**. No public comment was received on these amendments. The adopted amendments are identical to those published under Notice of Intended Action.

The Authority adopted these amendments on February 5, 2003.

These amendments will become effective on April 9, 2003.

These amendments are intended to implement Iowa Code section 16.5(17).

The following amendments are adopted.

ITEM 1. Amend rule **265—15.6(16)** by adding the following **new** definition in alphabetical order:

“Local housing trust funds” means entities created by one or more cities or counties or combination thereof to improve housing within the area covered by such housing trust fund.

ITEM 2. Amend subparagraph **15.8(1)“a”(1)** as follows:

(1) Applicants eligible for funding are nonprofit 501(c)(3) affordable housing providers, for-profit affordable housing providers in enterprise zones, community housing development organizations (CHDOs), *local housing trust funds* and economic development corporations. This would not preclude multiple eligible applicants from filing joint applications to meet the minimum thresholds.

ITEM 3. Amend numbered paragraph **15.8(1)“a”(4)“4”** as follows:

4. Minimum loan of ~~\$400,000~~ \$50,000.

ITEM 4. Amend paragraph **15.8(1)“a”** by adding the following **new** subparagraph (5):

(5) With respect to funds loaned to local housing trust funds:

1. Such funds may then be loaned by the local housing trust fund to developers it selects;

2. Such funds may be utilized directly by the local housing trust fund for construction or rehabilitation of single-family housing; or

3. Such funds may be used in another manner that satisfies the criteria and intent of paragraph 15.8(1)“a.” Except for 15.8(1)“a”(4)“2,” the criteria set forth in 15.8(1)“a”(4) apply to funds loaned to local housing trust funds.

ITEM 5. Amend subparagraph **15.8(3)“c”(1)**, introductory paragraph, as follows:

(1) Eligible applicants are ~~nonprofits who~~ *local housing trust funds* that meet the following criteria:

[Filed 2/14/03, effective 4/9/03]

[Published 3/5/03]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2337B**

**NATURAL RESOURCE COMMISSION[571]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby adopts amendments to Chapter 61, "State Parks and Recreation Areas," Iowa Administrative Code.

These amendments accomplish the following:

1. Remove references to Springbrook State Park from 61.4(1)"g."
2. Set fees for rental of the Springbrook Conservation Education Center at Springbrook State Park.
3. Remove Bobwhite State Park from the list of state parks and from the list of areas where after-hours fishing is allowed and add Bobwhite State Park to the list of state parks managed by another governmental entity. The park is now managed by the Wayne County Conservation Board.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 8, 2003, as **ARC 2227B**. A public hearing was held on January 28, 2003. One public comment was received. One minor change to the Notice of Intended Action resulted from the public comment. The change includes a statement that school groups shall be exempt from the damage deposit requirement. Subparagraph 61.4(1)"h"(5) now reads as follows:

"(5) Damage deposit. The damage deposit shall be paid on a separate instrument from the rental fee. School groups shall be exempt from this requirement."

These amendments are intended to implement Iowa Code sections 461A.3, 461A.44, 461A.46, 461A.47, and 461A.57.

These amendments will become effective April 9, 2003.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [61.2, 61.4(1), 61.9(2)] is being omitted. With the exception of the change noted above, these amendments are identical to those published under Notice as **ARC 2227B**, IAB 1/8/03.

[Filed 2/14/03, effective 4/9/03]  
[Published 3/5/03]

[For replacement pages for IAC, see IAC Supplement 3/5/03.]

**ARC 2338B**

**NATURAL RESOURCE COMMISSION[571]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby amends Chapter 88, "Fishing Tournaments," Iowa Administrative Code.

The amendments eliminate the mandatory report requirement and redefine fishing tournament for the Mississippi River as 20 or more boats or 40 or more participants.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2182B**.

A public hearing was held on January 7, 2003. There are no changes from the Notice of Intended Action.

These amendments are intended to implement Iowa Code section 481A.38.

These amendments will become effective April 9, 2003. The following amendments are adopted.

ITEM 1. Amend rule 571—88.1(462A,481A) as follows:

**571—88.1(462A,481A) Definition.** "Fishing tournament" means any organized fishing event with 6 or more boats or 12 or more participants or where an entry fee is charged or prizes or other inducements are awarded, *except for waters of the Mississippi River, where the number of boats shall be 20 or more and the number of participants shall be 40 or more.*

ITEM 2. Rescind rule **571—88.5(462A,481A)**.

[Filed 2/14/03, effective 4/9/03]  
[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2343B**

**NATURAL RESOURCE COMMISSION[571]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby amends Chapter 94, "Nonresident Deer Hunting," Iowa Administrative Code.

This amendment changes license quotas for nonresidents in some hunting zones.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2187B**. A public hearing was held in the Wallace State Office Building on January 15, 2003. No public comments were received during the public comment period or at the public hearing. The final adopted amendment is unchanged from the Notice of Intended Action.

This amendment is intended to implement Iowa Code sections 481A.38 and 481A.48.

This amendment shall become effective April 9, 2003. The following amendment is adopted.

Amend subrule 94.6(1) as follows:

**94.6(1)** Zone license quotas. Nonresident license quotas are as follows:

	Any-sex		Antlerless-only
	All Methods	Bow	
Zone 1.	240 180	84 63	
Zone 2.	240 180	84 63	
Zone 3.	<del>600</del> 560	<del>240</del> 196	
Zone 4.	<del>1200</del> 1280	<del>420</del> 448	
Zone 5.	<del>1500</del> 1600	<del>525</del> 560	
Zone 6.	<del>780</del> 800	<del>273</del> 280	
Zone 7.	360	126	

## NATURAL RESOURCE COMMISSION[571](cont'd)

Zone 8.	240	84	
Zone 9.	600	210	
Zone 10.	<del>240</del> 200	<del>84</del> 70	
Total	6000	2100	2500 statewide

[Filed 2/14/03, effective 4/9/03]  
[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2345B****NATURAL RESOURCE  
COMMISSION[571]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 455A.5, the Natural Resource Commission hereby amends Chapter 104, "Wildlife Importation, Transportation and Disease Monitoring," Iowa Administrative Code.

This amendment establishes appropriate methods for the disposal of disease-affected captive cervid herds and for the disposal of carcasses by the Department.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 11, 2002, as **ARC 2183B**. No public comments were received during the public comment period or at the public hearing. The amendment is unchanged from the Notice of Intended Action.

This amendment is intended to implement Iowa Code section 481A.62.

This amendment shall become effective April 9, 2003. The following amendment is adopted.

Rescind rule 571—104.11(481A) and adopt the following **new** rule in lieu thereof:

**571—104.11(481A) Identification and disposal requirements.** Affected and exposed animals must remain on the premises where they are found until they are identified and disposed of in accordance with this rule.

**104.11(1)** The carcasses of affected or exposed animals may be disposed of at a permitted sanitary disposal project, incinerated in a department-approved incinerator, or buried on the premises. Appropriate disposal method(s) will be determined by the department. If burial is the approved method, it must be done in accordance with all of the following:

a. A maximum loading rate of 20 Cervidae per acre per year may be buried on the premises. Animals or parts thereof that are less than 40 pounds may be buried without regard to number.

b. The animals are buried in soils listed in tables contained in the county soil surveys and soil interpretation records (published by the Natural Resources Conservation Service) as being moderately well drained, well drained, somewhat excessively well drained, or excessively drained.

c. The lowest elevation of the burial pit is 6 feet or less below the surface.

d. The animals are immediately covered with a minimum of 6 inches of soil and finally covered with a total minimum of 30 inches of soil.

**104.11(2)** In addition to the disposal methods listed in 104.11(1), the Cervidae carcasses, or portions thereof, which

come into the possession of the department for the purpose of disease testing or for any other reason may be disposed of by burial on public property under the jurisdiction of the department provided that burial is done in accordance with 104.11(1)"a" through "d" and the location of burial is situated to minimize the impact on public use of the property.

[Filed 2/14/03, effective 4/9/03]  
[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2323B****PROFESSIONAL LICENSURE  
DIVISION[645]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 147.76, the Board of Cosmetology Arts and Sciences Examiners hereby amends Chapter 60, "Licensure of Cosmetologists, Electrologists, Estheticians, Manicurists, Nail Technologists, and Instructors of Cosmetology Arts and Sciences"; rescinds Chapter 61, "Licensure of Salons and Schools of Cosmetology Arts and Sciences," and adopts new Chapter 61 with the same title; and amends Chapter 62, "Fees," Iowa Administrative Code.

These amendments revise the rules covering cosmetology salons and schools and amend Chapter 60 by moving the course of study requirements to Chapter 61 and clarifying the requirement covering a temporary permit in rule 645—60.6(157). Subrule 62.1(15) is amended and subrule 62.1(19) is rescinded because a change in name or location of a school or a salon will require submission of a new application.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 25, 2002, as **ARC 2204B**. A public hearing was held on January 14, 2003, from 9 to 11 a.m. in the Professional Licensure Conference Room, Fifth Floor, Lucas State Office Building, Des Moines, Iowa. One public comment was received on the Notice. The person who responded suggested that subrule 61.18(3) be reworded to reflect the acceptance of credit hours completed or clock hours completed, or both, on transcripts.

The Board discussed the proposed rewording, but is adopting the subrule as it was worded in the Notice of Intended Action because Iowa Code section 157.10 requires the completion of course of study hours.

The following changes have been made to the Notice of Intended Action:

- Items 2 to 4 were renumbered as Items 3 to 5 and a new Item 2 is adopted. Item 2 regards the unnumbered paragraph of rule 645—60.6(157), which is reworded for clarification. The intent of the language has not changed. The paragraph now reads as follows:

"The temporary permit shall be revoked if an applicant fails two examinations (each examination failed once or one examination failed twice). The applicant shall submit the temporary permit to the testing service before sitting for another examination."

- The word "requirement" in the catchwords of rule 645—61.10(157) is changed to "requirements."

These amendments were adopted by the Board of Cosmetology Arts and Sciences Examiners on February 5, 2003.

## PROFESSIONAL LICENSURE DIVISION[645](cont'd)

These amendments will become effective April 9, 2003.

These amendments are intended to implement Iowa Code section 147.7 and chapters 157 and 272C.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [60.3, 60.6; Ch 61; 62.1(15), 62.1(19)] is being omitted. With the exception of the changes noted above, these amendments are identical to those published under Notice as **ARC 2204B**, IAB 12/25/02.

[Filed 2/12/03, effective 4/9/03]  
[Published 3/5/03]

[For replacement pages for IAC, see IAC Supplement 3/5/03.]

**ARC 2328B****SECRETARY OF STATE[721]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 47.1, the Secretary of State hereby amends Chapter 21, "Election Forms and Instructions," and Chapter 22, "Alternative Voting Systems," Iowa Administrative Code.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 25, 2002, as **ARC 2216B**. No public comment was received on these amendments, which are identical to those published under Notice.

The Help America Vote Act, P.L. 107-252, requires the use of identifying documents for voters who register by mail after January 1, 2003. Subrule 21.3(3) is amended to conform to the new federal requirements. This amendment is intended to implement Iowa Code section 49.77 and P.L. 107-252, Section 303.

The Federal Election Commission has revised the standards for performance and testing of voting equipment. In order to keep Iowa's voting equipment compliant with the current national standards, rule 721—22.2(52) is amended to incorporate the revised standards. This amendment is intended to implement Iowa Code section 52.5.

These amendments are intended to implement Iowa Code sections 49.77 and 52.5 and P.L. 107-252, Section 303.

These amendments were adopted on January 29, 2003.

These amendments will become effective on April 9, 2003.

The following amendments are adopted:

ITEM 1. Rescind subrule 21.3(3) and adopt the following **new** subrule:

**21.3(3)** The following identification documents shall be accepted from persons voting or registering to vote:

- a. Current and valid photo identification card; or
- b. A copy of a current utility bill, bank statement, government check, paycheck, or other government document that shows the name and address of the voter.

ITEM 2. Amend rule **721—21.3(49)**, implementation sentence, as follows:

This rule is intended to implement Iowa Code section 49.77(3) and P.L. 107-252, Section 303.

ITEM 3. Amend rule 721—22.2(52) as follows:

**721—22.2(52) Voting system standards.** All electronic voting systems and machines approved for use by the Board of Examiners after ~~December 31, 1997~~ *April 9, 2003*, shall meet ~~Performance and Test Standards for Punchcard, Mark-sense, and Direct Recording Electronic Systems Voting Systems Performance and Test Standards~~, as adopted by the Federal Election Commission ~~January 25, 1990, and as amended April 1990~~ *April 30, 2002*. The report of an accredited independent test authority certifying that the system is in compliance with these standards shall be submitted with the application for examination.

This rule is intended to implement Iowa Code section 52.5.

[Filed 2/13/03, effective 4/9/03]  
[Published 3/5/03]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/03.

**ARC 2324B****WORKFORCE DEVELOPMENT DEPARTMENT[871]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 96.11, the Director of the Workforce Development Department hereby amends Chapter 22, "Employer Records and Reports," Iowa Administrative Code.

The amendments to this chapter make corrections that were identified as a result of reviews conducted in accordance with Executive Order Number 8.

Notice of Intended Action was published in the January 8, 2003, Iowa Administrative Bulletin as **ARC 2224B**. One change from the Notice has been made. An implementation sentence was added to rule 871—22.10(96). The new sentence reads as follows:

"This rule is intended to implement Iowa Code section 96.11(6)."

These amendments will become effective on April 9, 2003.

These amendments are intended to implement Iowa Code sections 96.6(2), 96.7, 96.7(1), 96.7(2)"a"(1), 96.7(3), 96.7(4), 96.8(1), 96.8(3), 96.8(4), 96.11, 96.11(1), 96.11(2), 96.11(6), 96.11(6)"a," 96.11(6)"c"(2), 96.11(7), 96.11(11), 96.14, 96.14(1), 96.14(2), 96.16, 96.19(17), 96.19(18)"f," and 96.20(3).

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [amendments to Ch 22] is being omitted. With the exception of the change noted above, these amendments are identical to those published under Notice as **ARC 2224B**, IAB 1/8/03.

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